

2024

SUSTAINABILITY REPORT

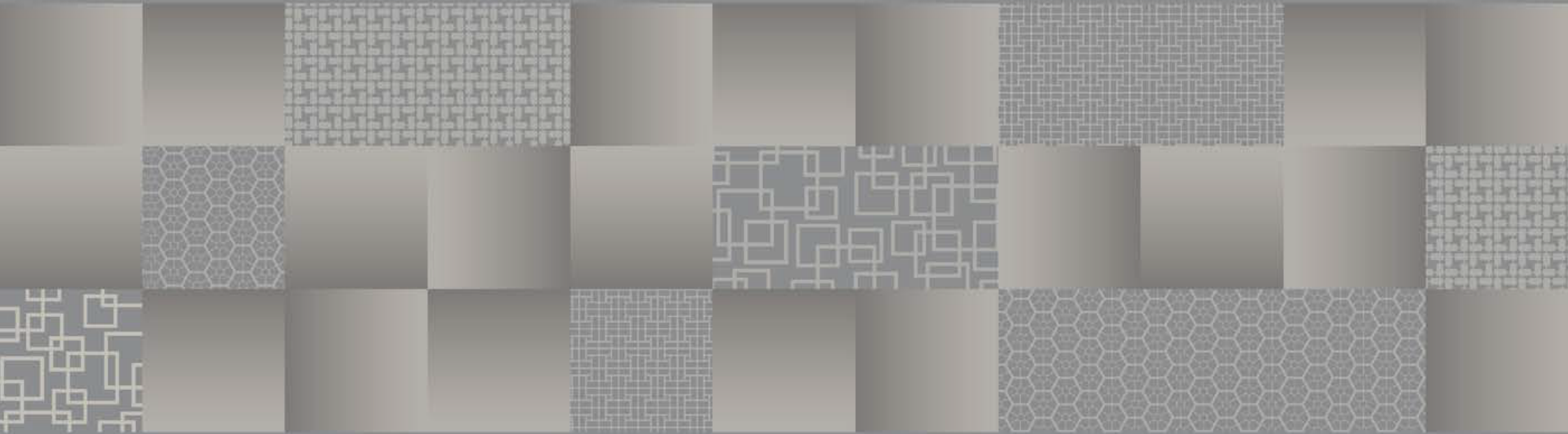


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Report Overview

In accordance with the Company's commitment to corporate social responsibility and sustainable development, FORMOSA INTERNATIONAL HOTELS Corporation (stock code: 2707, hereinafter referred to as Silks Hotel Group, SHG, the Company, the Group, or we) published its first Sustainability Report in 2015. Through this report, we aim to provide stakeholders with a communication channel to engage with us on the implementation and management of corporate social responsibility, while also enhancing their understanding of our efforts and contributions to the Company's sustainable development. We hope that all stakeholders will gain deeper insights into the Company's dedication and achievements in advancing enterprise sustainability. Sustainability Website: <https://www.silkshotelgroup.com/tw/relationship>

Editorial Guidelines and Reporting Cycle

The 2023 Sustainability Report was published in August 2024. Continuing this commitment, the 2024 edition will be released on an annual basis, with both the Chinese and English versions published simultaneously. This approach ensures the timely disclosure of relevant information to the public, while also reflecting the Company's business philosophy and its dedication to creating long-term corporate value.

The 2024 Sustainability Report represents the eleventh edition of the Company's sustainability disclosures. In this report, we remain steadfast in our focus on the core principles of corporate sustainability, while further strengthening our risk management practices across the three pillars of Environment, Social, and Governance (ESG). By presenting our efforts and achievements on material issues through transparent and balanced reporting, we aim to enhance trust with stakeholders and advance the shared goal of sustainable development.

Guided by the principles of ethics, integrity, and sustainable management, the Company is committed to generating positive impacts on society and delivering additional corporate value. Over the years, we have consistently placed emphasis on corporate governance (SDG 16: Peace and Justice), food safety (SDG 3: Good Health and Well-Being), addressing climate-related risks and opportunities (SDG 13: **Climate** Action), and cultivating a safe, environmentally responsible, and inclusive workplace (SDG 8: Decent Work and Economic Growth).

In addition, we actively promote harmonious labor-employer relations (SDG 8: Decent Work and Economic Growth) and uphold social responsibility (SDG 1: No Poverty). By maintaining open and continuous dialogue with our stakeholders, we seek to foster trust and collaboration.

Looking ahead, we are committed to working closely with our employees, customers, and partners to drive the Company toward achieving its long-term sustainability goals.

Report Scope and Boundaries

The scope of this report covers the Silks Hotel Group' s key operations, including Regent Taipei, Silks Place Tainan, Just Sleep, Wellspring by Silks, and Silks Place Taroko. To ensure the completeness and accuracy of sustainability performance indicators, certain financial information disclosed in this report includes data from the past three years within the aforementioned scope. Operational performance is compiled based on financial statements prepared in accordance with the International Financial Reporting Standards (IFRS). All financial figures are presented in New Taiwan Dollars (NTD).

Reporting Principles, Framework, and Data References

This report has been prepared with reference to the Global Reporting Initiative (GRI) Universal Standards 2021 and the relevant topic-specific standards. It also complies with the Taiwan Stock Exchange' s Rules Governing the Preparation and Filing of Sustainability Reports by Listed Companies, while aligning with the United Nations Sustainable Development Goals (SDGs), the standards of the Sustainability Accounting Standards Board (SASB), and the framework of the Task Force on Climate-related Financial Disclosures (TCFD).

Data Collection and Measurement

The data and information disclosed in this report were contributed by representatives of the Sustainability Development Committee from key departments, including Finance, Procurement, Food & Beverage, Engineering, Housekeeping, Front Office, Human Resources, and Marketing & Public Relations. The Sustainability Report Editorial Team compiled and consolidated the information, which was subsequently reviewed by the Sustainability Report Committee and finalized before being approved by the Board of Directors for publication. In addition, all reported data were measured and presented in accordance with established internal procedures and international sustainability reporting standards, ensuring accuracy, consistency, and reliability.

Internal Review and External Assurance

Internal Review

The data and information disclosed in this report first undergo preliminary verification by supervisors at all levels, followed by further review and revision by the core members of each department within the Sustainability Development Committee. The Sustainability Report Editorial Team then compiles and consolidates the content, which is subsequently submitted to the Chief Operating Officer, in his capacity as convener of the Sustainability Development Committee, and to the Chairman of the Board for final approval prior to publication.

Financial data are derived from publicly disclosed information verified by certified public accountants. Certain figures are obtained from government publications or compiled internally by the Company, and are presented in accordance with standard numerical conventions. All relevant data, meeting minutes, and verification records are systematically documented and securely archived.

External Assurance

This report has been independently assured by Baker Tilly International in Taiwan (CPA Firm) in accordance with Assurance Standard No. 3000, “Assurance Engagements Other than Audits or Reviews of Historical Financial Information,” issued by the Accounting Research and Development Foundation in Taiwan. The engagement was conducted as a limited assurance by certified public accountants, resulting in the issuance of an Independent Assurance Report.

The scope, methodology, and conclusions of the assurance are presented in the Independent Assurance Statement, which is included in the Appendix of this report (page 200).

Contact Information

Silks Hotel Group welcomes feedback and suggestions regarding the content of this report. Your valuable input is a driving force behind our continuous improvement.

Contact Details:

Silks Hotel Group

Address: No. 3, Lane 39, Section 2, Zhongshan North Road, Taipei 104, Taiwan

Tel: +886 2 2523 8000

Website: <https://www.silkshotelgroup.com/tw/>

E-mail: customerservice@regenttaiwan.com

Chairman's Message



*“Shaping a Sustainable Future,
Bridging Global Connections: Silks
Hotel Group, Driven by People,
Defining New Hospitality Standards.”*

As Chairman of Silks Hotel Group, I believe true corporate value extends beyond financial performance to a positive impact on society, the environment, and future generations. Upholding our mission to "Co-create value, thriving together," we see travel as a means to foster understanding and connection. As Taiwan's leading tourism brand, we are committed to making every journey an act of deep local engagement, cultural respect, and planetary care, aiming to be a global benchmark for sustainable hospitality.

■ ESG Commitment

We view ESG — Environmental, Social, and Governance — as the core of our corporate strategy, and actively align our efforts with the United Nations Sustainable Development Goals (SDGs). This is not only a guiding principle for our operations, but also the foundation of Silks Hotel Group's business philosophy. Through this value framework, our goal is not only to reduce the environmental impact of our operations, but also to drive sustainable transformation across our entire supply chain, proactively engage in community development, and enhance the overall competitiveness of the

tourism industry. At the same time, we uphold integrity and transparent governance to establish a solid foundation for long-term growth, embedding this commitment into our daily operations.

As the frontline of cultural exchange, the tourism industry bears a unique responsibility. We aspire to be promoters of Taiwanese culture, practitioners of social good, and advocates for green action. We hope that every service and guest experience offered by Silks not only becomes a part of each journey, but also reflects our long-term commitment to society and the environment.

■ Environmental Sustainability

We recognize tourism's significant environmental impact in energy use, water management, carbon emissions, and waste disposal. To address this, we've launched energy-saving and carbon-reduction initiatives, including smart energy systems, upgrading high-energy equipment, and optimizing air conditioning and lighting efficiency.

Simultaneously, we enhance local sourcing to reduce ingredient mileage and transportation emissions. Through the "Sustainable Table" initiative and partnerships with top chefs, we promote the "Surplus Food Program" and use small portions, diverse selections, and real-time replenishment in buffets to minimize waste.

To cut plastic pollution, we use recyclable and biodegradable packaging, advance the "EcoMeet Sustainable Meeting" with plastic-free policies, and select cage-free eggs and compostable materials. These efforts reflect not only global trends but our firm commitment to future generations. True luxury, I remind the team, is valuing and wisely using every resource, not endless consumption.

■ Social Responsibility

People are the core asset of our Group. In response to post-pandemic labor shifts and service industry shortages, we have increased investment in training, improved compensation, and established transparent promotion systems. Internal training, managerial knowledge transfer, and inter-hotel exchanges help cultivate the next generation of professionals and maintain Silks Hotel Group's global competitiveness.

We are dedicated to fostering a diverse, equitable, and inclusive workplace, respecting all ages, genders, and cultures, and empowering every team member. We uphold international human rights standards through due diligence and risk management, strengthening our positive corporate culture.

Hotels are platforms for cultural exchange. We support Taiwan's arts, design, and culinary scenes through exhibitions and events that share local culture with global guests, creating meaningful experiences.

Recently, we have also accelerated digital transformation by upgrading our central reservation system and CRM platform, implementing AI-powered customer service to improve the consistency and convenience of the guest experience. These digital tools enable us to better understand customer needs and optimize operations, allowing us to more effectively integrate ESG values with business performance — achieving both sustainability and efficiency.

■ Corporate Governance

We have established a comprehensive ESG governance framework by setting up a Sustainability Development Committee at the Board of Directors level. This committee sets strategic goals, management indicators, designs action plans, and conducts regular reviews. This ensures ESG is not just a slogan or short-term project, but a core standard integrated into daily operations.

We also strengthen communication with stakeholders to maintain transparency and integrity in sustainability disclosures, welcoming external scrutiny and feedback. Additionally, we continuously improve information security, food safety, and risk management to ensure our corporate culture and operations remain robust and responsible.

In addition, we continuously strengthen communication mechanisms with stakeholders to maintain transparency and integrity in disclosures, proactively welcoming oversight and feedback from the market and society. To further enhance corporate resilience and trust, we are committed to improving information security, food safety, and risk control management, ensuring that both corporate culture and operational processes remain sound, stable, and accountable.

■ Sustainability Is Our Everyday Practice

Sustainability is not merely a defensive strategy to “reduce harm,” but a proactive effort to “create value.” This creation of value must respond not only to the expectations of our customers, but also to the long-term interests of our employees, society, and the environment. For Silks Hotel Group, sustainability is not just an operational choice — it is a corporate philosophy that permeates every detail of our services, encompassing environmental responsibility, social engagement, and sound governance.

We are committed to building Silks Hotel Group into a company that “brings the best of the world into Taiwan, and takes the best of Taiwan to the world.” To me, “the best” goes beyond glamour and efficiency; it must embody deep values of human care, respect for the environment, and shared prosperity with local communities.

Looking ahead, we will continue to move forward with even higher standards, making every journey not just a crossing of geographical distances, but a meaningful act of connecting hearts and caring for the planet.

Sustainability is not just about "reducing harm," but a proactive pursuit of "creating value." This value meets not only customer expectations but also the long-term interests of employees, society, and the environment. For Silks Hotel Group, sustainability goes beyond operations—it is a philosophy embedded in every service detail, covering environmental care, social responsibility, and strong governance.

We aim to build Silks Hotel Group into a company that "brings the best of the world into Taiwan, and takes the best of Taiwan to the world." To me, "the best" means more than luxury or efficiency; it reflects deep human care, environmental respect, and shared growth with local communities. Looking ahead, we will uphold even higher standards, making every journey more than crossing distances—it will be a heartfelt connection and a commitment to caring for our planet.

Company Overview

Silks Hotel Group - officially known as Formosa International Hotels Group. Founded in 1990, Silks Hotel Group was listed on the Taiwan Stock Exchange on March 9, 1998. The Group owns globally renowned luxury hotel brand Regent Taipei, along with the premier shopping destination Regent Galleria. It also operates Silks Place, the preferred choice for Chinese-speaking markets across Greater China, and Just Sleep, a stylish hotel brand emphasizing convenience and comfort. Combining Eastern simplicity with Western elegance, the Group delivers refined services and facilities that embody its philosophy of coexistence with local communities and pursuit of excellence. It creates a cultural exchange platform connecting travelers to the world while offering exceptional accommodation and dining experiences. Currently, the Group manages hotels located in Taipei, Yilan, Hualien, Tainan, and Kaohsiung. Its performance and service reputation set the benchmark within local markets. For more information, please visit <https://www.silkshotelgroup.com>.

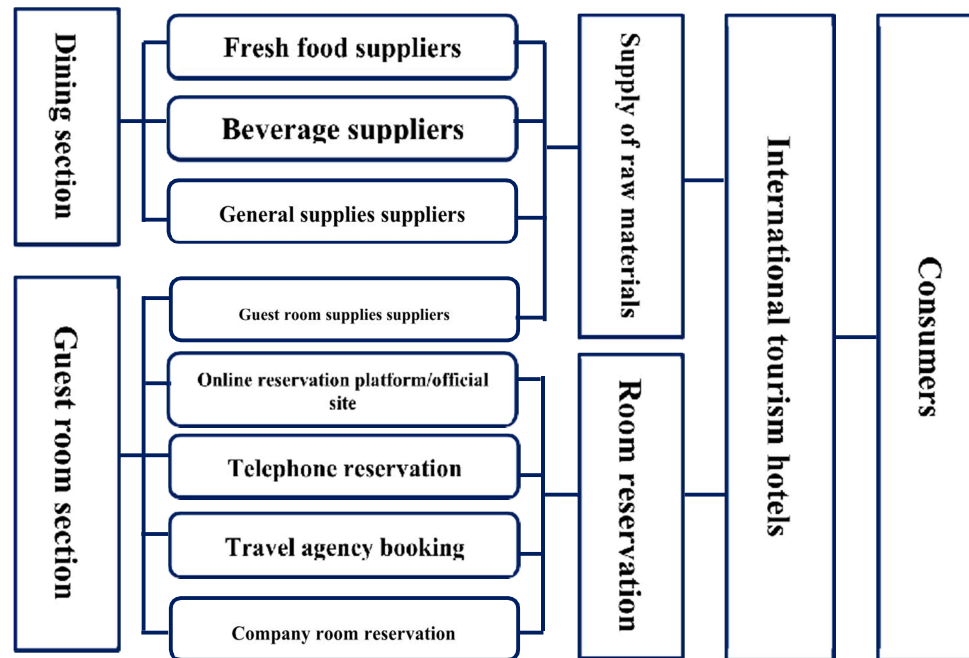
Company Information	Silks Hotel Group
Establishment Date	July 7, 1976
Regent Taipei Opening Date	September 25, 1990
Number of Employees	2,115
Paid-in Capital	New Taiwan dollars 1,274,032,380
Industry	Operating international tourist hotels, including restaurants, fitness centers, saunas, boutique retail; and hotel management consulting services
Chairman	Steven Pan
Group Chief Operating Officer	Wu Wei zheng
Headquarters Address	1st to 20th Floor, No. 3, Lane 39, Section 2, Zhongshan North Road, Taipei, Taiwan
Official Website	https : // www.silkshotelgroup.com/tw/
Scope of Operations	Taipei, Tainan, Yilan, Hualien
Revenue	New Taiwan dollars 6.535 billion
Hotel Brands	Regent, Silks Place, Silks Club, Wellspring by Silks, Just Sleep
F&B Brands	Just Italian 、 Spice Market 、 Mihanhonke

Note: This Report primarily covers the Silks Hotel Group' s brands, including Regent Taipei, Silks Place Tainan, Just Sleep, Wellspring by Silks, and Silks Place Taroko.

■ Explanation of Industry Chain Relationships

In the tourism hotel industry chain, the hotel sector occupies the midstream role, serving as a key link between upstream suppliers and downstream customers. Leveraging professional hotel management capabilities, the Group's business covers two core areas: lodging and food & beverage, maintaining close interactions with both upstream suppliers and downstream consumers. Upstream, we establish long-term partnerships with suppliers of ingredients, amenities, and equipment to ensure quality food materials, diverse dining options, and safe, reliable guestroom supplies, meeting the needs of various travelers. Downstream, the Group directly serves end customers, providing high-quality dining and comfortable accommodations, aiming to create a caring, secure, and distinctive service environment.

Through collaboration and integration with upstream and downstream partners in the industry chain, the Group strengthens its competitive advantage in the tourism hotel industry and continuously enhances service quality to create memorable travel experiences for guests.



■ Brand Hotel Overview

Regent

Regent Taipei is the only hotel in Taiwan under IHG's (InterContinental Hotels Group) most luxurious brand, "Regent." Renowned for its exceptional service, exquisite design, and world-class facilities, it offers guests an unparalleled accommodation experience—a perfect blend of luxury and comfort. The hotel features 538 guest rooms, including deluxe rooms, spacious suites, and an exclusive executive floor designed specifically for business travelers. Regent Taipei boasts nine diverse dining venues, creating a unique "gourmet resort" experience. Among them are Michelin Guide-recommended Cantonese restaurant Regent's Garden and ROBIN'S GRILL Steakhouse & Teppanyaki, Taipei's only five-star buffet recommended by CNN—The Café, and the award-winning beef noodle soup crowned champion at the Taipei International Beef Noodle Festival. From spacious and luxurious accommodations to exceptional dining and exclusive shopping privileges at Regent Galleria, the hotel's distinct hospitality philosophy aims to meet and exceed guests' expectations. For more information, please visit <https://www.regenttaiwan.com/>

Silks Place / Wellspring by Silks

The Silks Place brand is positioned as culturally luxurious and exquisitely refined, a top-tier urban five-star hotel, serving as the Group's five-star hotel brand emphasizing cultural heritage. The architectural planning and interior design incorporate local characteristics, highlighting coexistence and harmony with the local culture. Wellspring by Silks is the Group's first brand focused on boutique hot spring resort hotels. It targets guests who enjoy urban vacations and seek tranquility and exclusive accommodation experiences, allowing travelers to temporarily escape the city's hustle and bustle nearby. Currently, the Silks Place brand hotels include Silks Place Taroko, located within the world-class tourist destination Taroko National Park in Hualien; Silks Place Tainan, situated next to the Confucius Temple and vividly showcasing the cultural atmosphere of Tainan; boutique resort hotels Wellspring by Silks located in Yilan's Jiaoxi and Taipei's Beitou in Yangmingshan, both renowned hot spring destinations in northern Taiwan; and the franchised Silks Place Yilan, the leading family resort choice in Taiwan's Yilan County. For more information, please visit <https://www.silkshotelgroup.com/tw/hotelbrands>

Silks Place Taroko

Located within Taroko National Park in Hualien, alongside the scenic Liwu River, the breathtaking mountain landscape itself is a natural masterpiece. It is the only luxury hotel situated within a national park canyon in Taiwan, and the only mountain-style international five-star hotel on the island. The hotel features 160 guest rooms, including manor suites and leisure rooms. The interior design adopts a Neo-Chinese style, extensively using natural wood to

create a grand yet serene atmosphere. Facilities are abundant, including indoor and outdoor swimming pools, a children's play area, tennis courts, and a multifunctional yoga and fitness studio. Dining options include two restaurants: the “Wesley Buffet Restaurant” and “Mei Garden Chinese Restaurant,” offering buffets and exquisite Cantonese and Taiwanese cuisine made with local ingredients.

Silks Place Tainan

Located in the bustling Central and Western District of Tainan City, within walking distance to historic sites, Silks Place Tainan is the Group's international business and leisure hotel. Embracing the concept of being “modern yet timeless,” the hotel incorporates Confucian cultural elements of Tainan into its design, using Minnan architectural features to decorate the space. Every detail inside the hotel reflects thoughtful intention. The hotel offers 255 spacious and comfortable guest rooms filled with abundant natural light and enriched with local art and cultural elements unique to Tainan. Dining options include four restaurants: ROBIN'S Steakhouse, ROBIN'S Japanese Teppanyaki, the Chinese restaurant Silks Place (Jing Ying Xuan), and the creative cuisine restaurant Wuyü. Additionally, there is a sushi bar called Chahui and a poolside bar, Crystal Lounge, providing guests with diverse dining experiences.

Wellspring by Silks

Wellspring by Silks Jiaoxi is located in the well-known hot spring destination of Jiaoxi Township, Yilan County. The hotel features 120 guest rooms and the San Fan restaurant, offering sodium bicarbonate hot springs. The entire hotel design uses earth-tone lattice elements to surround the property, creating a secluded and tranquil environment. The peaceful atmosphere allows guests to immediately feel a serene lodging experience upon arrival. For more information, please visit <https://jiaoxi.wellspringbysilks.com/tw/>

Wellspring by Silks Beitou began operations in September 2024, featuring 94 guest rooms, six private hot spring suites, and two restaurants: the Chinese-style Spring Pavilion and the Japanese-style San Fan. The spacious rooms are designed with warm tones and ample natural light to create a comfortable ambiance. The smooth white sulfur hot springs quietly flow, offering guests a wonderful journey of “One night at Wellspring, a lifetime experience.” For more information, please visit <https://beitou.wellspringbysilks.com/tw/index>

Just Sleep

The Just Sleep brand embraces the philosophy of “stylish and considerate stays,” emphasizing convenient locations, attentive service, and unique design. It offers guests a high-quality experience comparable to five-star hotels at affordable prices.

In the Taipei area, Just Sleep includes two branches: Just Sleep Taipei Ximen and Just Sleep NTU. Just Sleep Taipei Ximen is located in the bustling Ximen shopping district, featuring 143 guest rooms and the Just Café restaurant serving breakfast. Guests can easily explore Taipei's historical sites, experience the city's trendy culture, and enjoy local cuisine. Just Sleep NTU, situated near National Taiwan University, offers 76 guest rooms and an Italian dining restaurant, Yixiang Canteen. The rooms incorporate an academic style, providing comfortable accommodations for campus teaching, internships, research, academic exchanges, meetings, and visitors, fostering a harmonious atmosphere with the university community. Just Sleep Yilan Jiaoxi is located in the center of the hot spring town Jiaoxi, offering 138 guest rooms and the Just Café restaurant. It provides sodium bicarbonate hot springs, allowing guests to relax their body and mind in a comfortable environment.

For more information, please visit <https://www.justsleephotels.com/>

■ Operational Overview

With the steady return of international business and leisure travelers, Regent Taipei's room revenue in 2024 has fully surpassed pre-pandemic levels, demonstrating strong market demand recovery. Banquet demand continues to rise, and the soft opening of Wellspring by Silks Beitou in mid-September 2024 has injected strong growth momentum into the brand. The successive openings of off-site restaurants such as Thai Market, Spring Pavilion, and San Fan Beitou have driven the food and beverage department's revenue to reach historic highs for consecutive months. Regent Galleria's sales performance remains stable, further boosting mall rental income and contributing to the overall impressive revenue and outstanding operational performance.

Silks Place Tainan has also shown operational resilience. Despite the outbound travel trend among locals, it has maintained stable revenue through innovative service models that incorporate local culture, highlighting the effectiveness of the Group's diversified management strategy. Additionally, Silks Place Taroko underwent nine months of repairs and service adjustments following the 403 Hualien earthquake, and officially reopened in mid-January 2025. Since reopening, operations have stabilized and revenue performance is gradually recovering.

■ Operational Results

Consolidated operating and non-operating income amounted to NT\$6.535 billion, with the parent company's net profit after tax at NT\$1.346 billion, representing a 4.91% decrease compared to 2023. The net profit decline was mainly due to the suspension of Silks Place Taroko operations caused by the 403 earthquake. In March, the Board approved a dividend distribution of NT\$14.3612 per share, an exceptional payout amounting to the second highest in history (for more details on operational performance, please refer to the annual report link).

■ Sustainable Tourism

Following 2023, the Group's inaugural sustainability year, we actively launched multiple projects to promote sustainable and eco-tourism, balancing tourism development with environmental protection. By implementing measures that protect cultural and natural resources, we encourage guests to participate in community activities and offer culturally educational travel experiences.

Our business strategy aims to translate the Company's sustainability goals into concrete actions, fostering cultural diversity exchange through cultural experience programs. Sustainable cultural tours transform travel from a mere short-term experience into a long-term positive impact and contribution to local communities.

In our spacious and luxurious guest rooms, energy efficiency and resource conservation are carefully considered in the design. The executive floors provide private butler services that not only enhance guest comfort but also actively encourage participation in environmental initiatives. Dining services emphasize the use of locally sourced sustainable ingredients to reduce carbon footprints. Through collaborations with brands, we host special culinary events highlighting food sustainability, providing guests with unique and eco-conscious dining experiences. (Please refer to the [Sustainable Tourism Column]_link for detailed achievements).

➤ Product Development Trends

Influenced by sustainability issues and changing consumer behaviors, tourism product development trends are moving toward aspects such as "wellness," "cultural connection," "sustainability practice," and "technological innovation." At the same time, the entry of international brands into Taiwan has intensified competitive pressure.

Wellness-Oriented: Deep experiences focused on physical and mental balance. Regent Taipei offers various accommodation packages combining healing and balance, such as the “Oriental Beauty Tea Therapy,” “Secret Sulfur Valley Exploration,” and “Regent Vitality,” providing aromatherapy, beauty treatments, and health activities to help guests relax and enhance health awareness.

Cultural Connection Enhancement: Authentic local experiences and exploration. Through the “Neighborhood Co-Prosperity” program, guests are led to explore the cultural alleys of Zhongshan District and encouraged to travel Taiwan by car, enhancing their appreciation and connection to local landscapes, culture, and customs to create genuine local ties.

Sustainability Practice: Co-creating responsible consumption with guests. In 2024, Regent Taipei launched the “Sustainable Table” initiative, introducing an AI food waste management system at the Palais de Chine restaurant to reduce food waste, establishing an “Herb Garden,” and implementing a “Leftover Food Program” to revitalize near-expiry ingredients. These efforts align with the UN SDGs, promoting environmental dining culture and green operations.

AI and 5G Applications: Human-centered smart hospitality. The Group actively integrates digital innovations to enhance customer experiences. In September 2024, the “5G Integrated Innovation Application Project” results presentation showcased 3D modeling and panoramic projection technologies to elevate banquet and dining spaces. The project adopted EPSON’s advanced laser projection equipment to create immersive visual experiences, setting a benchmark for digital transformation in hospitality.

➤ **Future Development Strategies**

In recent years, the entry of international chain hotels into Taiwan’s tourism market has challenged the local supply and demand structure. To strengthen our competitive advantage and respond to industry changes, the Group focuses on enhancing service quality and creating differentiated product experiences. By deeply understanding customer needs, we continuously optimize the guest experience.

We actively expand target customer segments, emphasize local cultural characteristics, and enhance brand recognition to strengthen market acceptance. At the same time, we deepen cooperation and resource integration with industry partners, further improving infrastructure and transportation convenience to enhance the overall travel experience.

Moreover, the Group will actively adopt innovative technologies to improve operational efficiency and strengthen service innovation capabilities. Through diversified strategies, we aim to attract more domestic and international travelers, continuously expand market share, and solidify our competitive position in Taiwan’s tourism industry. Leveraging our global sales network, we strengthen collaboration with overseas travel agencies, corporations, and PR firms to expand MICE and business customer sources.

■ 2024 Sustainability Performance and International Certifications

Awards and Honors

The hotels under Silks Hotel Group have repeatedly received recognition, demonstrating outstanding achievements in talent development, creating happy workplaces, and sustainable management.

Regent Taipei, Wellspring by Silks Beitou, and Silks Place Tainan have earned the Japan Health Tourism Certification.

Regent Taipei holds the EarthCheck Silver Certification.

Silks Place Tainan has been awarded the GTS Green Travel Silver Label.

Wellspring by Silks Beitou has received the Gold-Level Green Building Certification.

Just Sleep Jiaoxi has attained the Green Mark Hotel Bronze-Level certification.

Just Sleep Jiaoxi also earned the GTS Check International Sustainable Tourism Label.

Wellspring by Silks Jiaoxi holds the GTS Silver International Sustainable Tourism Label.

Wellspring by Silks Jiaoxi has received the Green Mark Hotel Bronze-Level certification.



Awards and Recognition

Silks Hotel Group's outstanding performance and continuous pursuit of excellence have distinguished it in the international hospitality industry, earning numerous accolades.

➤ Silks Hotel Group

- Chairman Steven Pan awarded the Business Leader of the Year and the "Taiwan Corporate Sustainability Award (TCSA)" Outstanding Sustainability Figure Award
- Received five honors from the Taipei City Government, including the "Annual Excellent Hotel and Hotel Staff Recognition" for outstanding hotel groups and individuals
- Awarded the "Happiness Enterprise Gold Award" by 1111 Job Bank for the fourth consecutive year

➤ Regent Taipei

- Recipient of the BCCT Corporate Social Responsibility Award
- Asia's Best Companies to Work for Award by HR Asia
- Winner of the inaugural Taiwan Tourism Gold Award for Hotels and Tourism Industry



- Recipient of the inaugural Taiwan Tourism Industry Staff Award
 - Banquet halls certified with HACCP Food Safety Management System by TQSCI
 - Awarded Tourism Hotel Group Award
 - Won the Gold Award for Service Industry Sustainability Report at the TCSA Taiwan Corporate Sustainability Awards
 - Own brand Wellspring SPA won the 2024 Haute Grandeur Global Awards for “Best Luxury Spa in Taiwan” and “Best Urban Escape in Asia”
 - Regent Taipei’ s restaurant, Regent Cuisine, received 17 accolades in the 4th United Daily News 500 Dishes Food Review
 - Regent Cuisine awarded among Taiwan’ s Top 20 Best Restaurants at the 1st Tatler Dining Awards.
- Silks Place Tainan
- Winner of the inaugural Taiwan Tourism Gold Award
 - Awarded Tourism Hotel Group Award
 - Bronze Award for Service Industry Sustainability Report at the TCSA Taiwan Corporate Sustainability Awards
 - The dim sum team won 4 special gold medals, 5 gold medals, and 1 silver medal at the 2024 WCC Malaysia Culinary World Competition
- Silks Place Taroko
- Winner of the inaugural Taiwan Tourism Gold Award
 - Won three major awards: Tourism Industry Group Gold Award, Senior Management Gold Award, and Frontline Staff Gold Award
- Just Sleep Ximen
- Taipei City Excellent Hotel and Sustainable Hospitality Gold Award
 - Taipei City Excellent Hotel Group Award for Hotel Staff
 - Taipei City Excellent Hotel Award for Outstanding Frontline Employees



Sustainable Tourism Column

Silks Hotel Group upholds the philosophy of sustainable management with the core spirit of "co-learning , co-creating, co-thriving, and co-sustaining." Through shared learning, we invest in professional training and knowledge transfer, committed to delivering exceptional hospitality experiences, enhancing the value of Taiwan' s tourism industry, and sincerely treating every guest with holistic care.

The Group actively practices the concept of co-creating, emphasizing cultural preservation and the continuation of local characteristics. Through collaboration with local communities, we promote traditional crafts, support sustainable food culture, and foster local economic development and cultural heritage preservation.

We pursue mutual growth by integrating environmental protection and social responsibility into our core operations. We actively promote energy saving, carbon reduction, resource recycling, and sustainable measures, dedicated to long-term corporate development and harmonious coexistence with the environment.

■ Sustainable Tourism Practices: Promoting New Travel Experiences Focused on Health and Well-being

In response to the global rise of sustainable tourism and health awareness, Silks Hotel Group actively develops sustainable travel experiences combining physical and mental healing with health promotion. Our Taipei and Tainan hotels jointly launched three room packages that integrate mind-body balance, local characteristics, and wellness concepts, including "Oriental Beauty Tea Therapy," "Explore Sulfur Valley – Meet a Healthier You," and "Silks Wellness." These packages guide guests through natural therapies, healthy dining, and exercise to explore a new lifestyle of health and sustainability. Guests are encouraged to become aware of their physical and mental states during travel, strengthen health awareness, and carry these practices into daily life, realizing "Sustainable Living Starting from Travel."

These three programs have been officially recognized by the Japan Health Tourism Certification Committee, meeting evaluation standards in four major health areas: mental health, nutrition and diet, metabolism and lifestyle habits, and physical activity. Silks Group is the first overseas hotel group in Japan to receive health tourism certification, actively creating meaningful sustainable travel experiences that embody integrated sustainability values across health, social, and environmental dimensions.

■ Learning Together – Growing Through Service

Our employees are our most valuable asset. To foster continuous learning and growth within the organization, we encourage staff participation in educational activities. Through mutual teaching and learning, employees continuously update their professional knowledge and skills while deepening their care for local culture.



Silks Hotel Group has been awarded the "Golden Award for Happy Enterprises" by 1111 Job Bank for four consecutive years, recognizing its excellence in the leisure and entertainment service industry. This underscores the group's dedication to sustainable talent development and its unwavering pursuit of service excellence and quality.



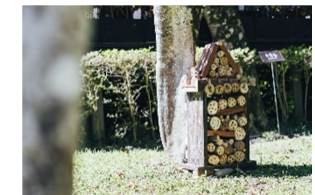
Silks Hotel Group Launches Silks University App for Employee Development

Silks Hotel Group developed and launched the Silks University APP, a digital learning platform, to offer employees a progressive, comprehensive, and personalized learning experience.



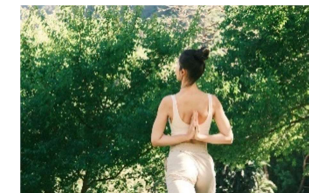
Silks Place Taroko Hosts Solitary Bee Workshop

Silks Place Taroko held a workshop to promote environmental sustainability and biodiversity. Guests learned about solitary bees and built bee houses to support local pollinators.



Silks Place Taroko: Resident Yoga for Forest Wellness

Silks Place Taroko offers "Resident Yoga" retreats in the mountains, inviting yoga and sound bowl teachers to guide guests in relaxation and rejuvenation.





Just Sleep Fosters Learning Organization to Empower Employees

Just Sleep created a Learning Organization: Promoted the creation of leisure, sports, and learning clubs, regularly bringing in external instructors for training sessions. These efforts aim to help employees unlock their potential and advance their careers.



■ Co-creating – Innovating Through Service

Supporting local businesses and giving back to the community are at the heart of everything the hotel does. Through interaction, collaboration, and the synergy of shared resources, we create unique and extraordinary experiences for our guests.



Regent Taipei Partners with Asia's Top Sustainable Restaurants

Regent Taipei hosted the "Best of Sustainable Asia" banquet, featuring chefs from three award-winning sustainable restaurants: Haoma (Thailand), Toyo Eatery (Philippines), and Labyrinth (Singapore). The nine-course menu showcased innovative and delicious cuisine, highlighting the hotel's commitment to environmental sustainability.



Regent Taipei Unveils Innovative 5G Technology Applications

Regent Taipei launched its "5G Integrated Innovation Application Project," showcasing how 5G technology enhances banquet experiences through 3D modeling and panoramic projection. Supported by the Digital Industry Promotion Agency, this initiative marks a milestone in the hotel industry's digital transformation.



Regent Taipei Participates in "500 Plates" to Promote Taiwanese Cuisine

To promote Taiwan's rich food culture, Regent Taipei participated in "500 Plates", an indicative food awards ceremony judged by top food critics and opinion leaders. Silks House's executive chef Wu Hoi Ming, who received 17 votes, collaborated with other award-winning chefs to deliver a full set of delicious meals.





Robin's Chef Serves Meals, Supports Hualien's New Dawn Educare Center

Robin's Executive Chef regularly visits Hualien's New Dawn Educare Center to serve meals to teachers and students, raising awareness of social care for the disadvantaged



Wellspring by Silks' Artist-in-Residence Program Promotes Yilan's Local Culture

In its eighth year, the Artist-in-Residence Program launched the 2024 theme Encountering Light, Sculpting Memories. Collaborating with Yilan sculptor Lin Sih-Ying, the program showcased works using construction and layering to preserve memories and inspire travelers to value the local environment.



■ Co-thriving – Growing Through Service

The accommodation packages and culinary events offered by Silks Hotel Group' s properties are closely connected to the unique local culture and natural scenery of each destination. We take pride in helping our guests become familiar with the local travel experience while supporting local businesses and communities.



Silks Hotel Group Announces Cage-Free Egg Procurement Policy

Silks Hotel Group partners with the Environment & Animal Society of Taiwan and Hualien Dawn Center to announce a cage-free egg procurement policy. By the end of 2026, Regent Taipei will transition to 100% cage-free eggs, with other hotels following suit. This initiative promotes animal welfare, supports humane farming practices, and underscores the Group's commitment to social responsibility and environmental sustainability.



Regent Taipei's Charity Christmas Market Spreads Holiday Cheer



On November 30th, Regent Taipei hosted a Charity Christmas Market, collaborating with Michelin-starred chefs to present gourmet cuisine and holiday delicacies. The market featured secondhand tableware and kitchenware, with proceeds benefiting the Children Are Us Foundation. Guests enjoyed gourmet food and drinks while supporting a worthy cause, embodying the spirit of giving back to the community.



Silks Place Tainan Promotes Sustainable Agritourism

Silks Place Tainan's "Happy Avocado" package offers guests a unique agritourism experience at Danei's Zuǒ àn Xìng fú Manor. Activities include organic avocado picking, enjoying farm-fresh meals, and learning about sustainable farming practices.



Silks Place Tainan's Christmas Charity Sale Supports St. Raphael

Silks Place Tainan partnered with local artist Chen Tsung for a creative workshop at St. Raphael in Anping. Chen guided participants in creating artwork, which was then transferred onto bags. These bags, along with sustainable



Regent Taipei Launches EcoMeet Package for Sustainable Meetings

Since opening in 1990, Regent Taipei has prioritized ESG and guest well-being. Unlike typical hotels, our main banquet hall is located on the third floor, offering natural light and greenery for a refreshing event experience. Our "EcoMeet" package furthers this vision with eco-friendly decor, traceable ingredients, and wellness activities to enhance holistic well-being.



Tainan Burger Fiesta Boosts Local Tourism

The sixth annual Tainan Burger Fiesta, hosted by Silks Place Tainan, featured 46 burger vendors offering unique Tainan-inspired flavors. The event attracted over 16,000 attendees, generating significant tourism and showcasing the city's vibrant culinary scene.





Wellspring by Silks Jiaoxi Promotes Local Tea Culture

Wellspring by Silks Jiaoxi partners with Yilan's century-old Jhentea tea house to offer a unique tea experience. Guests can enjoy local specialty teas and learn about the region's rich tea culture and history.



Travel Green: Just Sleep Encourages Eco-Friendly Tourism

Just Sleep Yilan Jiaoxi invites travelers to embrace sustainable tourism by offering a 20% discount on room rates to guests who present their same-day travel tickets upon check-in. Additionally, for each room booked, a donation of NT\$100 will be made to the Environmental Quality Education Foundation to support environmental education initiatives.



■ Co-sustaining – Our Commitment to Sustainability

Climate change poses an urgent threat to the health of our planet's environment, and people everywhere are seeking sustainable ways to coexist and thrive with nature. Through collaboration and engagement with governments, communities, and our employees, we are steadily progressing on the path toward a sustainable future.



Regent Taipei's Brasserie Reduces Food Waste with AI System

Regent Taipei launched its "Sustainable Dining Table" circular economy initiative in 2023. Using its highest-revenue buffet restaurant, Brasserie, as a model, the hotel implemented several measures, including the introduction of an AI food waste system. This technology helped reduce food waste, and by 2024, they successfully decreased food waste by an impressive 47.3%.



Turn New Year Gifts into Lucky Cat Decorations with Eco-Friendly Packaging

Silks Place Tainan's cookie box is designed with upcycled wood and plant fiberboard, reflecting sustainability. The box transforms into a 3D Lucky Cat decoration, and the handle can be reused as a drink carrier. It's an eco-friendly gift with a creative touch.



Wellspring Jiaoxi Offers Winter Tea Farm Stay

Wellspring Jiaoxi partners with local farmers for a winter tea experience. The "Tea Farmers, Brewing Winter" package explores local farming culture and winter tea's charm.



Wellspring Jiaoxi: "SINRAMAT" Indigenous Cultural Immersion

Wellspring by Silks Jiaoxi offers "SINRAMAT" workshops with Lanyang Indigenous Original Art Museum, featuring traditional weaving, costumes, and unique tribal drinks. Experience authentic Atayal culture.



Wellspring by Silks Beitou Launches Low-Carbon Tours to Zhuzihu

Wellspring by Silks Beitou offers low-carbon spring tours to Zhuzihu. Guests take public transport to explore calla lily and hydrangea fields, enjoying afternoon tea and special perks—an eco-friendly floral escape.



Explore Taipei Sustainably: Just Sleep Promotes Public Transit

Just Sleep Taipei Ximending and NTU partner to promote eco-conscious travel with the "Explore Taipei" initiative. Guests receive a free 24-hour Taipei Metro pass upon check-in, encouraging the use of public transportation and reducing carbon emissions.



Skip Housekeeping and Help Fund Environmental Education

Just Sleep Taipei Ximending and Yilan Jiaoxi offer a 3-day, 2-night stay with discounted rates for opting out of housekeeping, contributing NT\$100 per room per night to the Environmental Quality Education Foundation. This initiative promotes sustainability and supports environmental education.



Just Sleep Yilan Jiaoxi Offers Leave No Trace Hiking to Protect Mountain Ecosystem

Just Sleep Yilan Jiaoxi continuously offered diverse hotel activities for travelers to experience "Leave No Trace" hiking, an eco-friendly approach that emphasizes preserving the natural environment. Guests can explore natural attractions like the Run Horse Ancient Trail and the Linmei Stone Paved Trail with professional guides to learn how to enjoy the beautiful scenery without harming the environment.



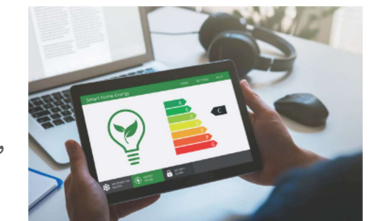
Learn Sustainable Fishing: Just Sleep Yilan Initiative

Just Sleep Yilan Jiaoxi partners with Xi He Tourist Factory to offer guests an educational experience on sustainable fishing, donating NT\$100 per booking to the Taiwan Ocean Conservation and Fisheries Sustainability Foundation to promote marine conservation and support the fishing industry



Just Sleep Taipei NTU Goes Green with Energy-Efficient Appliances

The entire establishment of Just Sleep Taipei NTU utilizes green energy appliances, including in-room refrigerators, televisions, and dehumidifiers, to minimize energy waste and promote energy conservation.



1. Sustainable Management

SHG continues to focus on sustainable actions and practices, actively planning a long-term blueprint for a better life and human well-being. Upholding the core values of "Co-creating Value, Thriving Together and Co-sustaining" · the Group is dedicated to deeply integrating sustainability concepts into daily operations and customer experiences, while enhancing transparent communication and collaboration with stakeholders. We aspire to become a leading global hotel brand, fulfilling our commitments to future generations.

Environmental aspect the Group promotes various green innovation initiatives, including the "Sustainable Dining Table" program, which combines local ingredients with low-carbon dining concepts to advocate sustainability in food culture. We have implemented an AI food waste management system that leverages technology to monitor and reduce food waste, driving a circular economy in dining. Additionally, the "EcoMeet Sustainable Meetings" project introduces low-carbon and energy-saving designs into event planning, creating professional yet eco-friendly meeting experiences.

Social aspect the Group actively builds a diverse, equal, and inclusive workplace, with talent development at its core through the "Sustainable Talent Strategy." This strengthens career development mechanisms and learning support. The "iGPS Career Navigation Map" program offers two years of training and practical rotations to help employees deepen expertise and broaden career paths. Through concrete actions, we implement inclusion and diversity, establishing a positive and resilient organizational culture.

Governance aspect the Group complies with the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies," establishing a sound governance structure, continuously enhancing internal controls and risk management to ensure operational stability and regulatory compliance. Furthermore, the Group regularly reviews sustainability strategies and action plans, with oversight by the Board of Directors and senior management. Through active engagement with stakeholders, we build consensus on sustainability and strengthen the company's positive impact on the environment and society.

Annual Performance

- ✓ Implemented AI food waste system at Palette Buffet, achieving a 47.3% reduction in per capita food waste in 2024, equivalent to 55.4 tons of carbon emission reduction.
- ✓ The "EcoMeet Sustainable Meetings" project attracted 141 companies, accounting for 21.5% of total annual meetings, with 24,871 participants.
- ✓ Promoted digital paperless initiatives, reducing photocopy paper use by 14% annually, equivalent to a carbon emission reduction of 3.211 metric tons.
- ✓ Provided over NT\$18 million in manpower, sponsorship, and donations for charitable activities.
- ✓ Hosted charity cooking events at Hualien New Dawn Educare Center for 9 consecutive years.

Sustainability Strategy Blueprint

■ Promote Sustainable Tourism Transformation and Realize the Vision of Green Travel

Silks Hotel Group is committed to enhancing the practice of sustainable tourism, actively participating in global sustainability certifications, and promoting green travel initiatives. Through cooperation with international sustainability standards such as the EarthCheck certification program and the GTS Green Travel Label, we ensure tourism activities minimize environmental impact while providing travelers opportunities to experience local culture and natural resources in a sustainable way. Additionally, each hotel continues to promote low-carbon transportation, plastic-free living, and local cultural tours, deepening sustainability concepts into guests' daily experiences to achieve harmony between tourism and the environment.

■ Deepen Green Supply Chain Management and Co-create a Low-Carbon Value Chain

Silks Hotel Group implements strict environmental standards in supply chain management, prioritizing partners with sustainable practices and environmental performance when selecting collaborators. By setting clear environmental procurement policies, we encourage suppliers to provide low-carbon products and adopt eco-innovations, jointly driving a green transformation across the supply chain. Furthermore, regular supplier audits and training enhance upstream and downstream partners' consensus and action on sustainability goals, collaboratively building a responsible and resilient supply chain system.

■ Strengthen Food Safety Governance and Protect Customer Health and Well-being

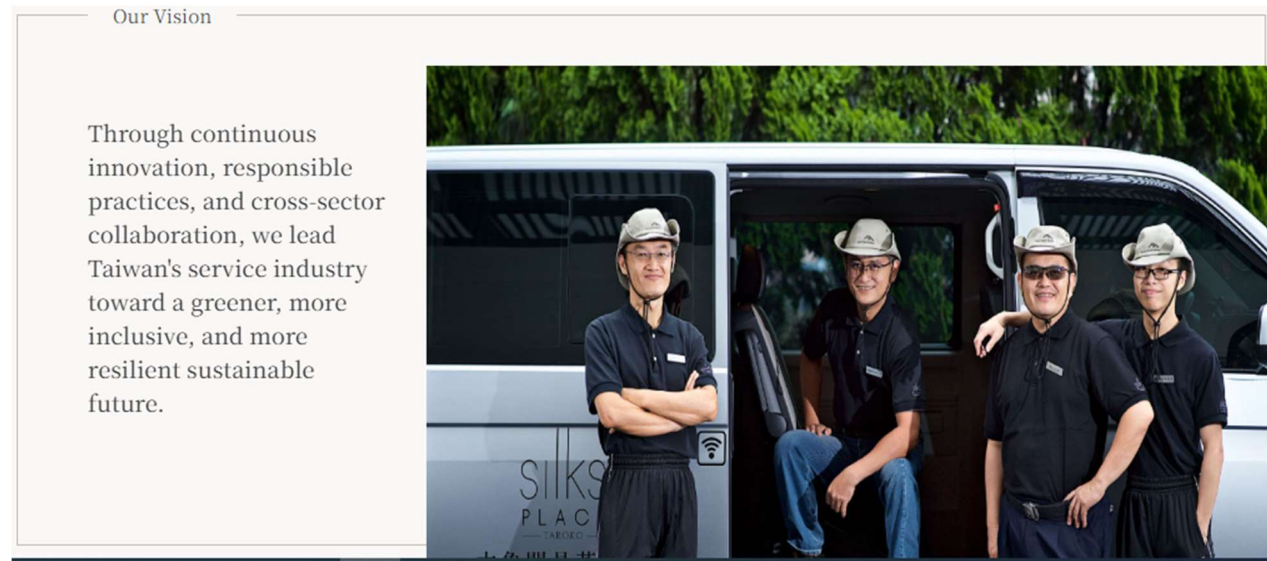
Silks Hotel Group insists on offering safe, healthy, and nutritionally balanced dining options. We are dedicated to promoting high-standard food safety and hygiene management systems, strengthening employee and supplier education and training. By implementing comprehensive food safety management systems and complying with food safety regulations as well as GHP and HACCP standards, we ensure every step from origin to table meets the highest hygiene criteria. This fulfills corporate responsibility, safeguards consumer health and well-being, and maintains corporate reputation and image.

■ Build an Inclusive Workplace Culture and Implement Sustainable Talent Strategy

We recognize that corporate competitiveness originates from talent competitiveness. The Group is committed to creating a diverse and inclusive work environment, promoting gender equality, diversity, and equity. Through concrete employee development programs and health promotion activities, we enhance professional skills while caring for employees' mental health and job satisfaction, ensuring all employees thrive in a safe and supportive environment. Moving forward, the Group will continue to focus on "people" as the starting point, deepen sustainable talent development strategies, strengthen employee relations and social impact, and jointly create a sustainable future of mutual prosperity and shared success.

1.1 SHG Sustainability: Vision, Strategy, and Practice

Silks Hotel Group upholds the sustainable values of "Learn Together (Co-learning), Create Together (Co-creating), Thrive Together (Co-thriving), and Sustain Together (Co-sustaining)," striving to build a happy, healthy, and dynamic ecosystem for a sustainable enterprise. We firmly believe that service can drive positive social development, enhance well-being, strengthen community resilience, and protect the environment, creating meaningful impact for both present and future generations. (Co-sustaining)," striving to build a happy, healthy, and dynamic ecosystem for a sustainable enterprise. We firmly believe that service can drive positive social development, enhance well-being, strengthen community resilience, and protect the environment, creating meaningful impact for both present and future generations.



In this process, we not only focus on economic benefits but also emphasize social equity and environmental protection, embedding sustainability into corporate governance, operational decision-making, and customer service.

Moving forward, the Group will continue to focus on sustainability actions and practices, actively planning a long-term blueprint related to better living and human well-being. We will integrate diverse innovative perspectives to deeply embed sustainability concepts into daily operations and customer experiences, strengthen transparent communication and collaboration with stakeholders, jointly achieve the United Nations Sustainable Development Goals (SDGs), and create long-term shared value for all stakeholders.

Implementation and Achievements

■ Environment

Through energy conservation, carbon reduction, circular economy, sustainable building, and green procurement initiatives, we mitigate climate change impacts and promote low-carbon operations and biodiversity conservation, achieving harmonious coexistence between the environment and the enterprise.

Silks Hotel Group is committed to the circular economy. In 2023, Regent Taipei officially launched the “Sustainable Dining Table” program, using its highest-revenue buffet restaurant, “Brasserie” as a pilot. Active measures were implemented, including the introduction of an AI food waste management system. By the end of 2024, the AI system successfully reduced food waste in Brasserie by 47.3%. The “EcoMeet Sustainable Conference” project promotes plastic-free, single-use item-free venue setups, traceable ingredient sourcing, paper reduction, and use of local ingredients. This project attracted 141 participating companies, accounting for 21.5% of total conferences, impacting 24,871 attendees.



In addition, a “Herb Garden” was created in the restaurant’s backyard to host urban farming activities, cultivating herbs and fostering an eco-friendly environment. Collaborations with international chefs launched the “Leftover Food Program,” transforming imperfect ingredients into delicious dishes. These initiatives actively implement the United Nations Sustainable Development Goals (SDGs), promoting environmentally friendly and sustainable practices together with consumers, achieving significant results.

Adhering to the philosophy of coexisting harmoniously with the environment, since April 2024, some of the Group’s restaurants have prioritized switching to cage-free eggs, demonstrating concrete support for animal welfare and environmental sustainability. Collaborations with the

Environment & Animal Society of Taiwan (EAST) and the Hualien New Dawn Educare Center promote livestock industry transformation and social care. This not only improves the living conditions of laying hens but also supports local disadvantaged groups' participation in agricultural production, fulfilling social responsibility commitments.

The Group continuously complies with environmental laws and regulations, striving to improve energy efficiency to reduce greenhouse gas emissions and lessen environmental impact. This also strengthens energy management performance and effectively lowers operating costs.

In 2024, a high-efficiency water-cooled variable-frequency magnetic levitation centrifugal chiller (400RT) was installed and went into operation in October. Plans are in place to replace a 600RT chiller by the end of 2025. This upgrade integrates intelligent monitoring and management systems that enable real-time control and adjustment of chiller operation and water temperature to optimize efficiency, enhance overall cooling system energy efficiency, and stabilize operations.

All copiers across the Group have been replaced with eco-label certified models, promoting a paperless operation model. This has successfully reduced paper consumption by 14% in 2024, equivalent to a reduction of 3.211 metric tons of carbon emissions.

All hotels under the Group use large-capacity pump bottles for shower amenities and encourage guests to bring personal toiletries to reduce waste. Silks Place Tainan, Silks Place Taroko, Wellspring by Silks & Just Sleep have installed drinking fountains on guest floors. Regent Taipei is planning to add water filtration systems during guest room renovations.

Additionally, employees are encouraged to bring their own thermos cups and avoid disposable tableware, collectively working toward plastic reduction goals.

We support climate protection-related initiatives, especially maintaining natural environments around hotels. For example, partnering with local conservation groups, we promote the "Firefly Ecotourism" project, educating guests about local ecology and encouraging responsible tourism behaviors, thus promoting biodiversity and ecosystem health.

■ Social

We continuously enhance workplace happiness and protect employee rights. Besides establishing competitive compensation and benefits and regularly reviewing industry salary trends, we promote equal pay for equal work and gender-equal promotion policies. Encouraging employees to join

shareholding plans and participate in company subsidies and profit sharing helps colleagues accumulate wealth and plan for their futures. These efforts have earned us the 1111 Job Bank “Happy Enterprise Gold Award” for four consecutive years, demonstrating excellence in employee care and management.

In terms of diversity, inclusion, and talent development, the Group incorporates British-style private butler services and the Japanese “Okami” spirit, systematically training butlers and front-line dining staff to enhance service detail and professionalism. The “iGPS Career Navigation Map” program offers 24 months of cross-brand and cross-functional rotations for fresh graduates and mid-level talents to accumulate diverse practical experience. Anticipating that Generation Z will comprise nearly 40% of the workforce by 2030, the program optimizes workplace experience from a Gen Z perspective, emphasizing experiential learning and value realization to inspire young colleagues to apply their talents and passions at work.

Regarding community involvement and philanthropy, since 2016, the Group has held the annual “Love Charity Cooking” event at Hualien New Dawn Educare Center for nine consecutive years. In 2024, 115 volunteers, including renowned chefs and local groups, participated to provide warm meals and companionship to vulnerable populations. The Group also partners with social welfare organizations to hold charity fundraising dinners and provides temporary accommodations and vocational training, assisting disadvantaged individuals in returning to the workforce and gaining independence.

All hotels actively engage in community building, promoting safety, barrier-free, and green-friendly designs, and participate in local cultural festivals and environmental beautification. The Group has long-term adopted Zhongshan District’ s No.4 Park, maintaining green space cleanliness and responding to city government cultural and tourism public welfare events, supporting local culture and tourism development.

Adhering to the community coexistence philosophy, Regent Taipei hosts the “Charity Christmas Market,” inviting Michelin-starred chefs to curate the event, combining festive delicacies with hundreds of second-hand quality tableware and goods. All event proceeds are donated to the Eden Social Welfare Foundation. Silks Place Tainan, Wellspring by Silks & Just Sleep also collaborate with local charities to hold public welfare activities, continuing community goodwill.

The Group provides over NT\$18 million in donations and manpower support for cultural exchanges, community welfare, and charity events. Through these diverse and ongoing philanthropic practices, the Group not only strengthens employee cohesion and sense of belonging but also creates positive social impact with quality service and local care, fulfilling ESG social long-term visions.

■ Governance

Silks Hotel Group establishes a transparent, honest, and responsible corporate governance framework, incorporating risk management and information security mechanisms, implementing sustainability goals and performance assessments to enhance corporate resilience and long-term competitiveness.

According to the “Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies,” the Group has formulated governance practice rules disclosed on public information platforms and company websites. Referencing international sustainability trends and examples, major sustainability topics were included in the 2024 sustainability report stakeholder survey. Based on survey results, relevant risk control strategies are formulated to strengthen governance and ensure corporate sustainability.

In addition to strengthening operational performance management, the Group established the CSR Committee in 2014, renamed the “Sustainability Development Committee” in 2021. The committee is chaired by the Chairman, with the Group COO and Regent Taipei Managing Director as vice chairs. A dedicated sustainability officer coordinates related matters. The committee restructures cross-brand and cross-department resources, meeting at least monthly to refine sustainability strategies and action plans, implementing the Group’s sustainability impact on environment and society.

The Group will continue to deepen sustainability strategies with innovative thinking, evidence-based management, and data-driven decision-making, embedding sustainability into organizational culture. We will strengthen stakeholder engagement through open and transparent communication, working together to promote sustainability goals and create a hopeful and valuable future for coming generations.

Sustainable Strategies

➤ Promoting Green Tourism to Achieve a Sustainable Vision

Silks Hotel Group actively advances sustainable tourism by adopting international certifications such as EarthCheck and GTS, integrating low-carbon travel, plastic-free initiatives, and local-guided experiences to create environmentally friendly journeys, fostering a future where tourism and ecology thrive together.

➤ Building a Sustainable Supply Chain with Animal-Friendly Practices

Silks Hotel Group prioritizes environmental standards across its supply chain, promoting low-carbon procurement and supplier sustainability training. In 2024, the Group announced a cage-free egg policy, aiming for full implementation by 2030, demonstrating its commitment to animal welfare and sustainable dining.

Silks Hotel Group aspires to be a model of sustainable tourism and green operations, setting industry benchmarks. The following sustainability strategies demonstrate our commitment and ongoing efforts across environmental, social, and governance dimensions:

➤ Promote Sustainable Tourism Transformation and Realize a Green Tourism Vision

The Group actively promotes sustainable tourism transformation, striving to create a green tourism model balancing ecological protection and local culture. We participate in international sustainability certifications such as EarthCheck and GTS Green Travel Label to ensure effective environmental impact reduction during operations while offering guests responsible and educational travel experiences. Our hotels continuously promote low-carbon travel, plastic-free living, and local cultural tours, integrating sustainability into daily guest experiences and encouraging environmentally friendly exploration. Moving forward, the Group will deepen green tourism advocacy to achieve harmony between tourism and nature for a sustainable future.

➤ Enhance Green Supply Chain Management and Co-create a Low-carbon Value Chain

The Group enforces strict environmental standards in supply chain management, prioritizing partners with sustainable practices and environmental performance. Through clear green procurement policies, suppliers are encouraged to provide low-carbon products and adopt eco-innovations, jointly driving green transformation across the supply chain. Regular supplier audits and training strengthen upstream and downstream consensus and actions toward sustainability, building a responsible and resilient supply chain system.

Committed to animal welfare and environmental sustainability, the Group actively promotes sourcing transformation, partnering with local suppliers to implement cage-free egg procurement. The “Cage-Free Egg Procurement Policy and Schedule” announced in 2024 pilots cage-free eggs in specialty restaurants, aiming for full adoption across Regent Taipei’s restaurants by 2026 and group-wide by 2030. This demonstrates respect for human rights, animal rights, and social inclusion while leveraging sustainable dining to positively influence the supply chain.

➤ Strengthen Food Safety Governance and Protect Customer Health and Well-being

The Group has established comprehensive food safety management systems and an in-house testing laboratory. Regular internal and external audits strictly monitor processes to comply with domestic and international regulations and standards. Following “farm to table” risk management processes, ingredient traceability enhances food quality and safety.

We are committed to offering safe, healthy, and nutritionally balanced food options, implementing high-standard food safety and hygiene management, and strengthening employee and supplier training. Full adherence to GHP and HACCP international standards positions the Group as a benchmark in food safety and health management, safeguarding customer well-being and fulfilling social and environmental responsibilities to create long-term positive value and sustain corporate trust and competitiveness.

➤ Build an Inclusive Workplace Culture and Implement Sustainable Talent Strategies

Recognizing occupational safety and health as foundations for sustainability, the Group strives to create a low-risk, injury-free workplace where every employee can thrive safely. We commit to gender equality and diversity and inclusion, strictly prohibiting discrimination and fostering a culture of equality, respect, and inclusion.

With a “people-centered” philosophy, the Group actively promotes sustainable talent strategies through systematic career development and professional training, helping employees enhance skills, broaden perspectives, and perpetuate corporate culture and values. Employee mental health and job satisfaction are also prioritized through wellness programs and support measures, cultivating a balanced work environment.

Aligned with our mission to “empathize” and “bring the best of the world to Taiwan and the best of Taiwan to the world,” we actively participate in philanthropy and environmental initiatives, deepening community involvement and care. Looking ahead, we will continue to strengthen employee relations and social impact, collaborating with employees and stakeholders to build a more inclusive, resilient, and sustainable future.

1.2 Sustainability Management and Structure

Silks Hotel Group was founded in 1976 (originally named "Chung An Tourism Enterprise Co., Ltd."), and renamed "Silks Hotel Group" in 1994. The Group was listed on the Taiwan Stock Exchange on March 9, 1998, possessing a sound and rigorous corporate governance structure, and has established comprehensive management systems and supervisory mechanisms to ensure the transparency, accountability, and fairness of the Board of Directors' operations, effectively safeguarding investor rights and promoting continuous sustainable corporate governance development.

The Group has established a Sustainability Development Committee (organizational chart shown below) to promote sustainability-related matters. The committee is chaired by the Chairman of the Board, with the Chief Operating Officer (COO) and Managing Director serving as Vice-Chairman. A dedicated Sustainability Manager position is established to coordinate and oversee the Group's sustainability affairs, linking resources across brands and departments to ensure effective implementation of sustainability initiatives.

Committee members include senior executives such as the Vice President of Public Relations, Vice President of Development and Finance, Vice President and Executive Vice President of Rooms Operations, Purchasing Manager, Human Resources Manager, Chief Accountant, Chief Engineer, and the Sustainability Manager.

The committee operates under the authorization of the Board and regularly reports execution status to the Board, which continues to supervise strategic direction and performance evaluation.

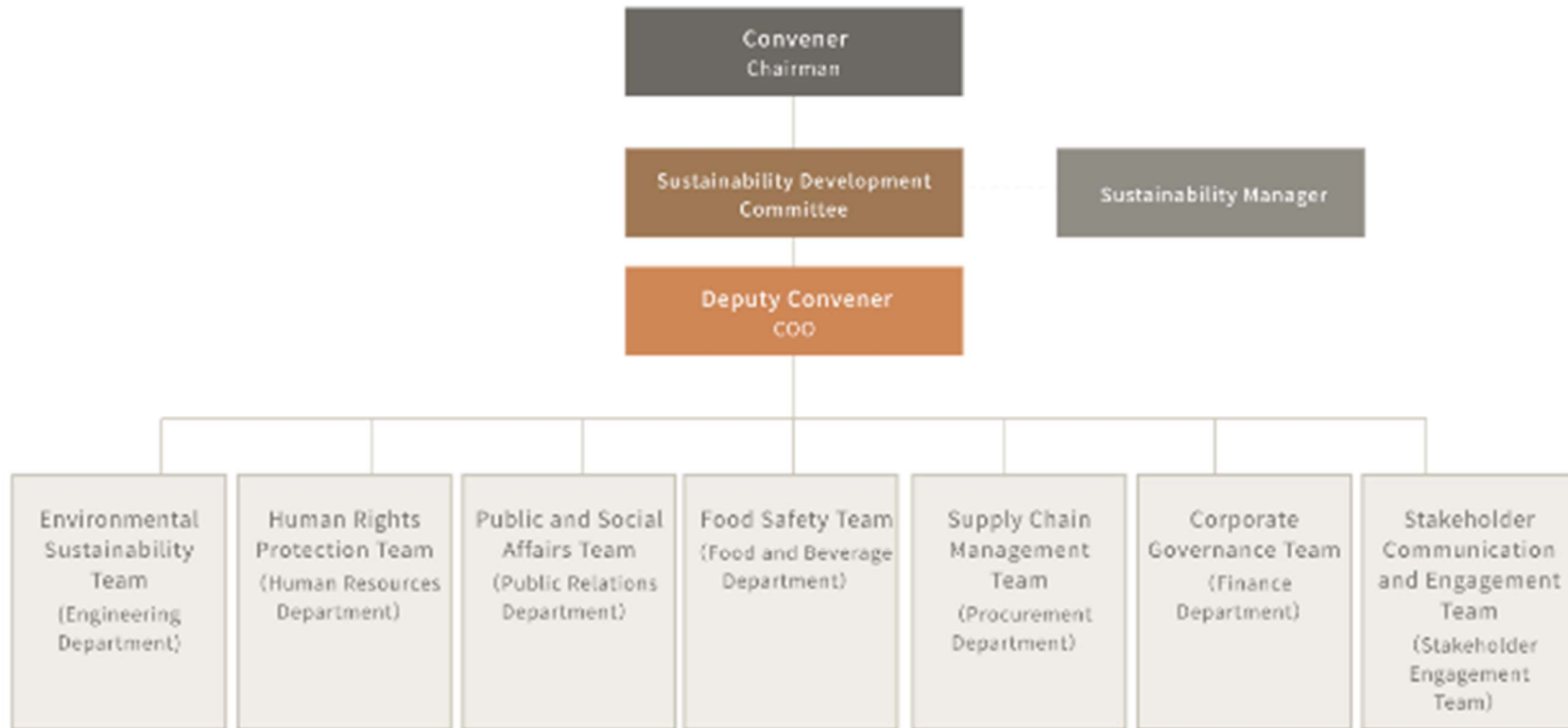
The committee meets at least once a month to review and optimize sustainability strategies and action plans. Based on the AA1000 SES (Stakeholder Engagement Standard), it periodically re-identifies and assesses stakeholders and their concerns, integrates feedback from various parties, and provides specific responses to key issues to continuously improve strategic effectiveness.

To ensure transparency and timeliness, the committee reports major matters to the Board as needed, and submits at least one annual report on stakeholder communication to strengthen decision-making support.

■ Sustainability Practice Code

Silks Hotel Group has established the Silks Hotel Sustainability Practice Code based on the "Sustainability Practice Code for Listed and OTC Companies" announced by Taiwan's GreTai Securities Market. The code comprises five main principles to guide employees in faithfully implementing social responsibility in daily operations.

■ Sustainability Development Committee Structure



■ Responsibilities of the Sustainability Development Committee

Environmental Sustainability Team:

Implements environmental policies and carbon reduction actions, monitors environmental indicators, promotes energy conservation and renewable energy, ensures regulatory compliance and carbon inventory management.

Human Rights Team:

Works to reduce human rights risks, promotes diversity and inclusion as well as employee welfare, and provides education, training, and career development opportunities.

Public & Social Affairs Team:

Drives positive interaction between the company and society, develops corporate social responsibility initiatives, participates in community building, and enhances corporate giving impact and social transparency.

Food Safety Team: Responsible for enforcing food safety management, ensuring products and raw materials comply with standards, supervising supply chain quality, implementing inspection mechanisms, and strengthening employee food safety training.

Supply Chain Management Team:

Dedicated to building a sustainable supply chain, assessing suppliers' environmental and social responsibilities, enhancing transparency and risk control, implementing human rights oversight, and promoting green procurement.

Corporate Governance Team:

Promotes transparent information disclosure and diverse independent leadership, strengthens risk management and internal controls, ensures regulatory compliance, and safeguards data privacy and security.

Stakeholder Engagement Team:

Develops communication strategies, facilitates stakeholder participation and feedback, publishes sustainability reports, and responds to public and media inquiries.

1.3 Stakeholder Engagement and Materiality Assessment

Stakeholders and Engagement

The Committee reviews the stakeholder identification and engagement process annually, collecting and analyzing stakeholders’ concerns and needs regarding various sustainability issues. Based on these insights, the company focuses on responding to material topics, continuously optimizing sustainability strategies and action plans, and ensuring the greatest positive impact on environmental protection and social well-being.

In 2024, the Sustainability Development Committee identified the following seven key stakeholder groups:

01 Employees	02 Customers / Consumers / Mall Tenants
03 Shareholders / Investors	04 Strategic Partners(e.g., Suppliers, Contractors)
05 Media / Online Communities	06 Government Regulatory Authorities
07 Communities and Non-Profit Organizations	

Silks Hotel Group has established multiple communication channels to continuously interact with stakeholders, gather their needs and expectations, and formulate performance responses for key concerns. Identified critical issues are incorporated into operational strategy development, product innovation, and service optimization, aiming to create long-term sustainable value for stakeholders. The Group not only pursues operational performance improvement but also leverages its influence to promote societal well-being.

The company website features a dedicated contact section, allowing stakeholders to provide feedback at any time. To respond effectively and promptly to issues of stakeholder concern, feedback is collected and addressed through various contact methods and communication channels. Additionally, an online stakeholder questionnaire is available on the website to gauge their attention and expectations regarding major topics, providing valuable input for the company's sustainable operations. The Sustainability Committee reports at least once a year to the Board of Directors on stakeholder engagement activities.

The Committee reported stakeholder communication activities and ESG implementation results to the Board of Directors on March 11, 2024, and November 11, 2024.

Identifying Stakeholders

Stakeholders	Significance to SHG	Stakeholder Contact Window
Employees	SHG values employees as key stakeholders, fostering a safe, respectful, and fulfilling workplace that protects their rights and well-being. With full support and engagement, we inspire resilience and innovation, driving sustainable growth and social value.	sara.chien@regenttaiwan.com
Customers/ Tenants	SHG regards customers, consumers, and tenants as core stakeholders, with their trust vital to brand value and sustainable growth. We provide exceptional experiences and “empathy-driven” hospitality that redefine travel. Through alliances and sustainability efforts, we collaborate with partners and tenants to foster fair, inclusive, and environmentally responsible practices, building a sustainable future together.	edward.yu@regenttaiwan.com customerservice@regenttaiwan.com
Shareholders /Investors	SHG regards shareholders and investors as key stakeholders, integrating sustainability concerns into core decisions to strengthen risk management and strategy. We align sustainability with long-term value, enhance transparency and performance, and ensure steady growth while meeting financial and non-financial expectations.	brita.wang@regenttaiwan.com
Strategic Partners (ex:Suppliers 、 Contractors)	SHG regards suppliers and contractors as vital partners in sustainable development, building trusting and mutually beneficial relationships. Through strict supply chain management and green procurement, we collaborate to adopt innovative sustainable solutions, strengthen social, environmental, and governance responsibility, and drive industry-wide ESG transformation.	juliet.liu@regenttaiwan.com
Media/Online Communities	SHG regards media and online communities as key stakeholders shaping its public image. Upholding integrity, professionalism, and transparency, we communicate openly to build trust. Through accurate disclosure, responsible responses, and listening to community voices, we manage reputation risks and align corporate conduct with societal expectations.	ellen.chang@regenttaiwan.com

Stakeholders	Significance to SHG	Stakeholder Contact Window
Government Authorities	HG regards government authorities as key stakeholders in safeguarding public interests and advancing industry growth. We ensure compliance through strong management, minimize legal risks, and enhance governance. By monitoring regulations and reinforcing audits and risk controls, we demonstrate responsibility and support industry sustainability and social stability.	brita.wang@regenttaiwan.com
Communities and Non-Profit Organizations	SHG regards communities and non-profits as key stakeholders in promoting inclusion and social sustainability. We work with local groups and charities on philanthropy, environmental action, and development to enhance well-being. Through long-term commitment, we foster inclusive, safe, and resilient communities while amplifying our positive impact.	sharon.liao@regenttaiwan.com

Stakeholder' Engagement

Stakeholders	Issues of Concern	Communication Frequency and Channels	Communication Performance
 Employees	Employee Care and Talent Retention Human Rights Protection and Diversity & Inclusion Information Security and Privacy Protection Occupational Safety and Health Food Safety and Health	-Irregular announcements on bulletin boards, Silks University App, HR consultations -Employee satisfaction surveys, employee grievance mechanisms -Labor welfare committee, labor-management meetings, occupational safety and health regular meetings -Annual competency training programs	-Regularly meetings -Conducted on-the-job career training with a total of 11,622 participants and 67,204 training hours; human rights protection training included 5,099 participants with 9,432 training hours -Awarded Asia' s Best Employer -Regent Taipei received the "1111 Job Bank Happiness Enterprise Gold Award".
 Shareholders / Investors	Sustainability Strategy Food Safety and Health Talent Development and Career Growth Innovation and Customer Service Operational Performance	-Annual board meetings and shareholders' meetings, Publication of annual reports, and sustainability reports -Quarterly financial reports Institutional investor presentations and investment forums -Public Information Observatory (Taiwan Stock Exchange disclosure platform) -Company website, complaint hotline, and email communication	-Held 5 board meetings and 1 shareholders' meeting -Conducted 3 institutional investor presentations -Released 28 material announcements -Published the annual sustainability report
 Customers/ Consumers and Tenants	Food Safety and Health Innovation and Customer Service Information Security and Privacy Protection Occupational Safety and Health Community Care and Public Welfare	-Company website, sustainability report -Customer satisfaction surveys, complaint hotline -Social media platforms, press releases -Phone and email communication -Club membership newsletters	-Published annual sustainability report -Achieved a customer satisfaction score of 86

Stakeholders	Issues of Concern	Communication Frequency and Channels	Communication Performance
 Strategic Partners (ex: Suppliers and Contractors)	Human Rights Protection and Diversity & Inclusion Food Safety and Health Sustainable Supply Chain Occupational Safety and Health Information Security and Privacy Protection	-Occasional & supplier meetings -Annual supplier written evaluations -At least one annual on-site supplier audit Irregular visits to new vendors -Hotline and email for reporting unethical behavior	-Conducted written reviews for 174 partner suppliers and on-site audits for 21 partner suppliers; no suppliers scored below 60, indicating no failures -No reported incidents of violations related to integrity or unethical behavior
 Media / Online Communities	Community Care and Public Welfare Human Rights Protection and Diversity & Inclusion Occupational Safety and Health Corporate Governance	-Occasional press conferences -Irregular press releases and interviews -Dedicated hotline, email communication	-23 press conferences held -Average of 9 press releases per month -Social media updates (ongoing)
 Government Authorities	Human Rights Protection and Diversity & Inclusion Occupational Safety and Health Information Security and Privacy Protection Food Safety and Health	-Regular regulatory audits -Public Information Observatory -Comply with and promote the implementation of relevant policies and regulations issued by government authorities	-Complied with government food safety regulations by completing product disclosures and publishing the annual sustainability report -Implemented information security management system
 Communities and Non-Profit Organizations	Community Care and Public Welfare Waste, Wastewater, and Air Pollution Management	-Promoting social welfare activities and supporting organizational initiatives -Annual sustainability report publication -Community meetings -Communication via phone, email, and letters customerservice@regenttaiwan.com	-The group's properties, including Regent Taipei, Silks Place Tainan, Silks Place Taroko, Wellspring by Silks Jiaoxi, and Just Sleep, organize a series of year-end charity and warm-hearted care activities. For details, please refer to Section 3.4 Community Care

Materiality Analysis and Identification

Silks Hotel Group conducts materiality analysis of sustainability issues in accordance with the GRI 3 (Material Topics 2021) standard. The identification process is as follows:

■ Issue Identification Questionnaire

The identification of material topics is based on the list of material issues from recent years, adjusted according to current sustainability trends. In addition to considering the potential impacts of the company's products on the economy, society, and environment, the process also takes into account industry concerns as well as the actual needs and expectations of stakeholders. This ensures that the list of topics reflects materiality, completeness, and inclusiveness.

■ Identification of Material Topics

Through questionnaire analysis, the level of stakeholder concern for each issue was assessed, along with the potential risks and opportunities these issues may bring to the company's operations and sustainability strategies. Each responsible unit further evaluated the potential impacts of the issues on the environment, society, and economy, as well as their implications for internal operations. Based on these assessments, the issues were prioritized and materiality was determined.

■ Confirmation of Material Topics

The preliminary identification and prioritization results were submitted to the management for review and confirmation to ensure alignment with the GRI principles of materiality, completeness, and stakeholder inclusiveness. Based on this process, the company defined the scope and boundaries of each material topic in terms of its internal and external impacts. These results serve as the foundation for formulating strategic directions and response measures and are disclosed in the annual report.

■ Completeness Review

The scope of the sustainability report is based on the identified material topics, their boundaries, and the reporting period, ensuring that all material issues are comprehensively disclosed. The final report is reviewed and validated jointly by the Sustainability Committee and relevant responsible units to ensure the information is accurate, complete, and reliable.

Material Topics Survey Result

A total of 156 responses were collected for the 2024 Material Topics Survey. The company, based on the European Union's advocated "Double Materiality" principle and the GRI 3 (Material Topics 2021) standards, analyzed and quantified stakeholders' levels of concern regarding various sustainability issues to identify material topics. Each responsible unit evaluated and ranked the potential impacts of these topics on the economy,

society, and the environment, as well as their effects on the company's internal operations, and conducted analysis and discussions based on the evaluation results.

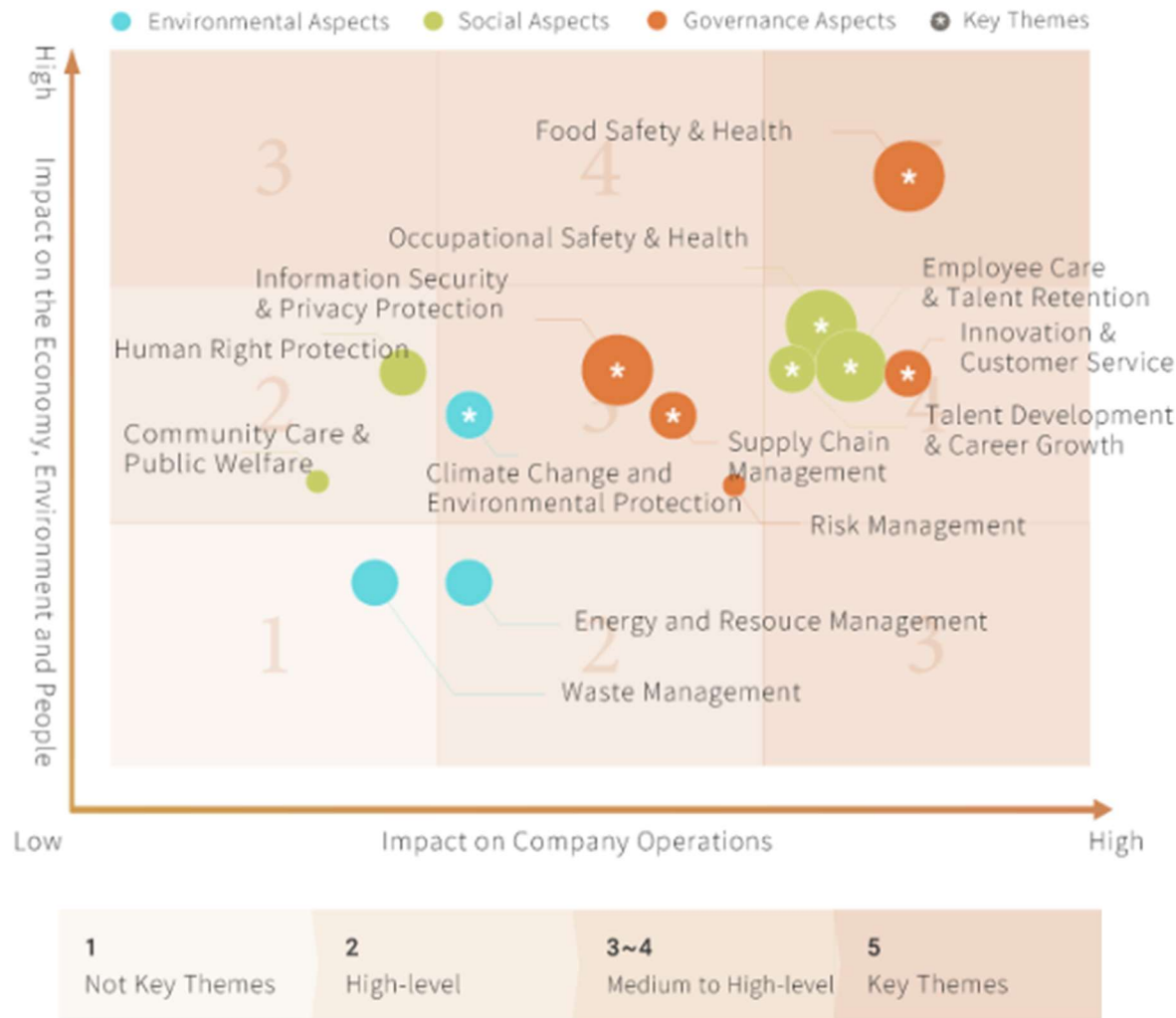
After review by the Sustainability Committee sub-group, the preliminary identification results were submitted to management for final review, adjustment, and confirmation. Certain material topics required for regulatory compliance or practical disclosure purposes were also included within the scope of material topics. Ultimately, eight highly material sustainability topics were identified as the key disclosure topics for this report. By focusing on the core issues of concern to stakeholders, the company aims to more effectively advance its sustainability strategy, strengthening corporate resilience and sustainability performance.

- Eight Material Topic :
- 1) Food Safety and Health
 - 2) Innovation and Customer Service
 - 3) Supply Chain Management
 - 4) Information Security and Privacy Protection
 - 5) Occupational Safety and Health
 - 6) Employee Care and Talent Retention
 - 7) Talent Development and Career Growth
 - 8) Climate Change Response

2024 Materiality Assessment Results and Comparison with the Previous Year		
2024 Material Topics	Difference from Previous Year	Explanation of Difference
Employee Care and Talent Retention	Renamed	The 2023 topic was "Talent Attraction and Retention." Due to increasing labor shortages, better employee benefits are emphasized to attract and retain talent.
Climate Change Response	Added Material Topic	Added as a material topic in response to environmental sustainability practices.
Talent Development and Career Growth	Same as 2023	Maintained as a material topic
Occupational Safety and Health		
Innovation and Customer Service		
Food Safety and Health		
Supply Chain Management		
Information Security and Privacy Protection		
2023 Material Topics		
Human Rights Protection and Diversity & Inclusion	Section Adjusted	Merged into Section 3.2 Employee Care and Retention
Community Care and Philanthropy	Removed	Removed based on survey results

Materiality Analysis Matrix

The X-axis represents the impact on company operations, while the Y-axis represents the impact on the economy, environment, and people. Each axis is weighted on a scale of 1 to 5. The size of the bubble indicates the level of concern among stakeholders.



Material Topics Alignment Table with GRI, SASB, and TCFD Standards

Based on the identified material topics, Silks Hotel Group further assessed their economic, social, and environmental impacts both within and beyond the organization. These topics were then mapped to the corresponding disclosure topics under the GRI Standards and linked to relevant sections of the management approach. The Material Topics Alignment Table with GRI and SASB Standards presents the alignment of each material topic with the respective standards, demonstrating the Group's consistency in disclosure and governance responses across multiple sustainability frameworks.

Aspects	Material Topics	GRI/SASB Standards Mapping Table	Corresponding Section	Corresponding to the SDGs	Scope of Impacts	
					Within the Organization	Outside the Organization
					The Company Itself	(Stakeholder)
Governance Aspect	Food Safety and Health	GRI 416 Customer Health and Safety 2016 GRI 417 Marketing and Labeling 2016 SASB FB-RN-250 Food Safety	2.4 Food Safety and Health	 3 Good Health and Well-being  12 Responsible Consumption and Production	•	•
	Information Security and Privacy Protection	GRI 418 Customer Privacy 2016	2.6 Privacy and Information Security	 9 Industry Innovation and Infrastructure  16 Peace, Justice and Strong Institutions	•	•
	Innovation and Customer Service	NA	2.3 Innovation and Customer Service	 8 Decent Work and Economic Growth	•	•
	Supply Chain Management	GRI 204 Procurement Practices 2016 GRI 308 Supplier Environmental Assessment 2016	2.5 Supply Chain Management	 12 Responsible Consumption and Production  15 Life on Land  17 Partnerships for The	•	•

		GRI 414 Supplier Social Assessment 2016 SASB FB-RN-430 Supply Chain Management & Food Sourcing		Goals		
Social Aspect	Occupational Safety and Health	GRI 403 Occupational Health and Safety 2018	3.1 Occupational Safety and Health	 8 Decent Work and Economic Growth	●	
	Employee Care and Talent Retention	GRI 401 Employment 2016 GRI 402 Labor/Management Relations 2016 GRI 405 Diversity and Equal Opportunity 2016 SASB FB-RN-310 Employees SASB SV-HL-310 Employees	3.2 Employee Care and Talent Retention	 5 Gender Equality  8 Decent Work and Economic Growth  10 Reduce Inequalities	●	
	Talent Development and Career Growth	GRI 404 Training and Education 2016	3.3 Talent Development and Career Growth	 4 Quality Education  8 Decent Work and Economic Growth	●	
Environmental Aspect	Climate Change and Environmental Protection	GRI 302 Energy 2016 SASB FB-RN-310 Employees SASB SV-HL-130 Energy Management SASB SV-HL-160 Ecological Impacts SASB SV-HL-450 Climate Change Adaptation	4.1 Climate Change Response	 13 Climate Action	●	●

2. Corporate Governance

Silks Hotel Group regards corporate governance as the cornerstone of sustainable business development. We have established a comprehensive and transparent governance framework aimed at enhancing governance quality, strengthening accountability mechanisms, and ensuring that all operations meet the highest ethical and regulatory standards. This approach actively mitigates potential environmental and social impacts while promoting long-term corporate resilience and stakeholder trust.

Since its founding in 1976, Silks Hotel Group has not only expanded its flagship luxury brand, Regent Hotels, but also launched several innovative sub-brands—Just Sleep, Silks Place, Silks X, and Well Spring by Silks—to meet diverse market needs. Through continuous innovation and service optimization, the Group is committed to leading the hospitality industry toward a more sustainable and responsible future.

Sustainability Strategy Blueprint

Innovation and Customer Service

Strategic Focus:

By integrating local culture and natural resources, Silks Hotel Group strengthens cultural and environmental connections to create tourism experiences with sustainable value. The Group continuously analyzes customer needs and market trends, combining local characteristics with social responsibility to drive sustainable service innovation and brand development. Our products and services are designed not only to maintain competitiveness but also to reflect society's growing expectations for environmental and social responsibility.

Food Safety and Hygiene

Strategic Focus:

The Group has established a Food Safety Risk Management and HACCP Committee to implement comprehensive standard operating procedures for food safety and hygiene. Regular internal and external audits, supplier assessments, and employee training programs are conducted to ensure every process complies with legal and quality requirements, protecting customer health from source to table.

Supply Chain Management

Strategic Focus:

Silks Hotel Group has built a structured supplier management and evaluation system that ensures food traceability, risk classification, and autonomous inspection. The Regent Taipei self-inspection laboratory serves as the last line of defense in safeguarding food safety, enforcing rigorous supplier oversight and audits. Supplier evaluations include documentation and on-site assessments, incorporating environmental and ESG criteria. The Group is progressively increasing the use of cage-free eggs and locally sourced ingredients, establishing a transparent and responsible supply network.

Information Security and Customer Privacy

Strategic Focus:

The Group is dedicated to maintaining a secure and resilient information environment to protect corporate assets and customer data from cybersecurity threats. Key initiatives include annual vulnerability scans and penetration testing, the implementation of multi-layered defense mechanisms and backup systems, and regular cybersecurity audits, employee training, and incident simulations to strengthen readiness. All data handling complies with relevant legal and regulatory standards, and third-party service providers are required to sign confidentiality and cybersecurity agreements to ensure full compliance.

2.1 Integrity Governance

Silks Hotel Group has been committed to establishing a sound and rigorous governance framework since it began operations in 1990. The Company adheres to the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies," which are publicly disclosed on the Company's official website and the Market Observation Post System.

2.1.1 Corporate Governance

Silks Hotel Group's corporate governance practices are closely aligned with the United Nations Sustainable Development Goals (SDGs), particularly SDGs 16: "Peace, Justice, and Strong Institutions." Upholding a sound and rigorous governance framework, the Group has established comprehensive management systems and oversight mechanisms dedicated to achieving sustainable business operations.

The Board of Directors emphasizes diversity and independence in its operations. Member selection takes into account gender, age, nationality, cultural background, and a range of professional expertise, including law, finance, accounting, industry knowledge, marketing, and technology. Through robust management and oversight mechanisms, we strive to enhance the Board's transparency, accountability, and fairness, safeguard investor rights, strengthen corporate reputation, and achieve our sustainable development goals. (For more details, please refer to the Annual Report)

■ Board Diversity and Independence

- Board Diversity:

In accordance with the diversity policy, the 23rd Board of Directors was re-elected in 2024. Members possess extensive experience and expertise in finance, business, and management. Independent directors make up 33% of the board. Gender equality is also emphasized, with a target of over 30% female directors. Currently, among the 9 board members, 3 are female, meeting the target of over 30% female representation.

- Board Independence:

The current board consists of 9 members, including 3 independent directors (33.33%). All independent directors comply with the regulations set by the Financial Supervisory Commission regarding independence. Furthermore, the relationships between all directors and independent directors conform to

Article 26-3, Paragraphs 3 and 4 of the Securities and Exchange Act. For information on board member nomination and selection qualifications, individual director profiles, and relationships among board members, please refer to pages 3 to 5 of the Annual Report (Annual Report link: Director Information-1).

The Group has established the Board Performance Evaluation Procedures, conducting annual evaluations covering the overall board, individual directors, and functional committees. The evaluation results serve as a reference for director selection or nomination and for determining individual director remuneration. The Company also performs performance evaluations of functional committees, including the Audit Committee and the Compensation Committee. The 2024 Board Performance Evaluation Report was submitted to the Board on March 10, 2025, with results rated as “significantly exceeding standards.”

Title	Name	Gender/Age	Major Education/ experience	Current Concurrent positions within the company and other companies
Chairman	Sy-Lian Pan epresentative of Ching Cheng Investment Co., Ltd.	Male 60~70 years old	University of California, Berkeley Columbia University Graduate School	Director of Nan Fung Enterprise and legal representative of Tien Hsiang Regent Hotel, Ching Cheng Investment, Silks Hotel Group, and Silks Palace (stock) company
Director	Yi-Hui Chiang Representative of Ching Cheng Investment Co., Ltd.	Female 60~70 years old	University of California, Berkeley	
Director	Rung-Wei Wang Representative of Ching Cheng Investment Co., Ltd.	Female 70~80 years old	Department of Library Science, National Taiwan University EMBA Program, National Taiwan University	General Manager of JRV Ji Rui Fan Co., Ltd.
Director	Se-Chen Lai Representative of Ching Cheng Investment Co., Ltd.	Female 70~80 years old	Department of Business Administration, Fu Jen Catholic University; Master of Management Science, National Chiao Tung University	Independent Director, AN-SHIN FOOD SERVICES CO., LTD.

Title	Name	Gender/Age	Major Education/ experience	Current Concurrent positions within the company and other companies
Director	Kong-Wen Li Representative of Silks Hotel Group:	Male 70~80 years old	Department of Accounting and Statistics, Ling Tung Commercial College Honorary Doctorate of Engineering, National Pingtung University of Science and Technology	Chairman of Delta Precision Industry (stock) company, Jiangxi Delta Precision Technology Co., Ltd. (Ganzhou, Jiangxi), Leading Edge Composites Technology (Huizhou) Co., Ltd., and Hanlong Information Technology (stock) company; Director of Hong Kong Feng Tai International Co., Ltd.
Director	Chi-Shang Kao Representative of Silks Hotel Group:	Male 70~80 years old	Master of Public University of San Francisco	Chairman of I-Mei Foods Co., Ltd.; Chairman of the Chinese International Economic Cooperation Association; Chairman of the International Chamber of Commerce, ROC; Director, Taishin International Bank
Independent Director	Kuo-Chun Chang	Male 60~70 years old	Department of Sociology, National Taiwan University; MBA, Columbia University	Chairman of Storm Media Group Media
Independent Director	Wen-Jie Wang	Male 70~80 years old	Department of Business Administration, National Taiwan University	Chairman, Lion Travel Service Co., Ltd. and Lions United International Travel Service Co., Ltd.
Independent Director	Wei Wang	Male 60~70 years old	MBA, Harvard University, USA Master of Engineering, Carnegie Mellon University, USA	Chairman and CEO, Sercomm Corporation

- In 2024, the Board of Directors convened 5 meetings (A), and the attendance status of directors is as follows:

Title	Name	Actual attendance rate (B)	Number of Proxies Represented	Actual attendance rate (%) (B/A)	Remark
Chairman	Steven Pan Representative of Ching Cheng Investment Co., Ltd.	5	0	100%	Re-elected for consecutive term of office on June 13, 2024
Director	Yi-Hui Chiang Representative of Ching Cheng Investment Co., Ltd.	5	0	100%	Re-elected for consecutive term of office on June 13, 2024
Director	Rung-Wei Wang Representative of Ching Cheng Investment Co., Ltd.	4	1	80%	Re-elected for consecutive term of office on June 13, 2024
Director	Ming-Yue Lin Representative of Ching Cheng Investment Co., Ltd.	2	0	100%	Released from duty on June 13, 2024
Director	:Se-Chen Lai Representative of Ching Cheng Investment Co., Ltd.	5	1	100%	Re-elected for consecutive term of office on June 13, 2024
Director	Kong-Wen Li Representative of Silks Hotel Group	4	1	80%	Re-elected for consecutive term of office on June 13, 2024
Director	Chi-Shang Kao Representative of Silks Hotel Group	4	1	80%	Re-elected for consecutive term of office on June 13, 2024
Independent Director	Kuo-Chun Chang	5	1	100%	Re-elected for consecutive term of office on June 13, 2024
Independent Director	Wen-Jie Wang	4	1	80%	Re-elected for consecutive term of office on June 13, 2024
Independent Director	Wei Wang	3	0	100%	New assumption of position on June 13, 2024

■ Directors and Executives Compensation

The remuneration for directors and executives follows the Board Performance Evaluation Procedures and the Performance Assessment Procedures applicable to executives and employees. These methods evaluate their level of involvement in company operations, contribution value, and achievement of work objectives. Additionally, directors' and executives' compensation is benchmarked against industry standards to maintain competitiveness in human resources, thereby ensuring operational efficiency.

Regarding directors' remuneration, the Company's Articles of Incorporation stipulate principles for director compensation, authorizing the Board to determine remuneration based on each director's level of involvement and contribution to the company's operations, while referring to typical industry standards. If the company reports a profit for the year, remuneration allocated to directors shall not exceed 0.5% of the annual profit. All decisions on directors' remuneration require attendance of at least two-thirds of directors and approval by a majority of those present, and must be reported and explained at the shareholders' meeting. Furthermore, the Compensation Committee is responsible for regularly assessing and setting the remuneration of directors and executives to ensure alignment with the company's operational performance and future risks.

The Company has established a Compensation Committee that regularly evaluates and adjusts the remuneration of directors and executives, submitting the results to the Board for review. The evaluation process considers not only financial indicators such as company profitability but also non-financial indicators including operational safety management, customer satisfaction, and assurance of product and service quality. Moreover, the Group places particular emphasis on ESG (Environmental, Social, and Governance) performance indicators, which reflect our commitment to sustainability and social responsibility. ESG factors have been incorporated into the compensation evaluation system to promote long-term, stable corporate development and create greater social value.

■ Remunerations Analysis :

Analysis of the total remunerations paid to the Company's directors, general managers, and vice general managers in the most recent two years by the Company and all companies included in the consolidated financial statements as a percentage of after-tax earnings indicated in the entity financial report:

Title	Year 2023		Year 2024	
	The Company	All companies included in the consolidated financial statements	The Company	All companies included in the consolidated financial statements
Directors	0.975%	1.027%	0.976%	0.977%
General Manager and Deputy General Managers	1.82%	1.82%	2.09%	2.09%
Net Income in the Parent Company Only Financial Statements	NT\$1,415,555 thousand		NT\$1,346,033 thousand	

Functional Committee Operations

Silks Hotel Group has established a diversified corporate governance framework, comprising the Audit Committee, Remuneration Committee, and Sustainability Committee to strengthen governance and advance sustainability goals. The Audit Committee enhances financial transparency and oversees internal controls, while the Remuneration Committee ensures fair executive compensation. The Sustainability Committee coordinates cross-departmental strategies on environmental, social, and economic issues, and regularly reports on performance. Led by the Chairman, with the Chief Operating Officer and Managing Director of Regent Taipei as Deputy Convener, the committee works through seven specialized task forces to review and adjust strategies in line with stakeholder expectations. In line with the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies, the Group has adopted its own CSR Guidelines to encourage all employees to fulfill social responsibilities and drive sustainable development.

Audit Committee



Enhances the transparency and accuracy of financial reports and supervises internal control and regulatory compliance.

Remuneration Committee



Responsible for evaluating and setting the remuneration policies for the company's senior management, ensuring alignment with company performance and market standards.

Sustainability Development Committee



Serves as a cross-departmental coordination mechanism, responsible for promoting strategies and measures for environmental, social, and economic sustainable development, and regularly reporting on their implementation performance.

Silks Hotel Group actively implements a diversified corporate governance structure by establishing the Audit Committee, Compensation Committee, and Sustainability Committee to strengthen corporate governance and promote sustainable development goals. The Audit Committee enhances the transparency and accuracy of financial reporting and oversees internal controls and regulatory compliance. The Compensation Committee is responsible for evaluating and setting the remuneration policies for senior management, ensuring alignment with company performance and market standards. The Sustainability Committee serves as a cross-departmental coordination mechanism, responsible for promoting strategies and measures for environmental, social, and economic sustainability, and regularly reports on its implementation performance.

■ Operation of the Audit Committee:

Silks Hotel Group established the Audit Committee on August 20, 2021. Each term lasts three years, and the committee is composed of independent directors to strengthen the company's internal controls and enhance financial transparency. In 2024, the Audit Committee held a total of four meetings.

The Audit Committee held 4 meetings in 2024 (A). The attendance status of the independent directors is as follows:

Title	Name	Actual attendance (B)	Number of Proxies Represented	Actual attendance rate (%) (B/A)	Remark
Independent Director	Kuo-Chun Chang	4	0	100%	Consecutive assumption of 2nd term committee member
Independent Director	Wen-Jie Wang	3	1	75%	Consecutive assumption of 2nd term committee member
dependent Director	Se-Chen Lai	2	0	100%	1st term committee members released from duty on June 13, 2024, and required number of attendances was 2 times
Independent Director	Wei Wang	2	0	100%	2nd term committee members assumed position on June 13, 2024, and required number of attendances was 2 times

In addition, the Group's independent directors follow the following procedures in communicating with the internal audit supervisor and the certified public accountants to ensure they can effectively oversee the company's financial soundness and internal control status, thereby further enhancing the company's transparency and accountability.

■ Communication between Independent Directors and Internal Audit Supervisor

Internal audit personnel conduct monthly audits according to the annual audit plan and submit audit reports to each independent director. The audit supervisor also provides important audit business reports to independent directors quarterly. On November 11, 2024, the Audit Committee reviewed and approved the audit plan for the following year. Independent directors may discuss the operation of the company's internal control system with the internal audit supervisor at any time; if the internal audit supervisor discovers any abnormalities, they will report to the independent directors immediately.

■ Communication between Independent Directors and Certified Public Accountants

The certified public accountants communicate governance matters related to the annual audit with independent directors in writing or through meetings. Independent directors may inquire and discuss with the accountants at any time if they have questions about the company's financial condition or internal control system. The accountants attended the Audit Committee meeting on March 11, 2024, to communicate with the independent directors and report the audit results of the 2023 financial statements.

Through these mechanisms, the Audit Committee strives to strengthen corporate governance, improve the quality of financial reporting, and ensure the company complies with relevant regulations, supporting the continuous growth and sustainable development of Silks Hotel Group.

■ Compensation Committee

The Company's Compensation Committee consists of three members with extensive experience in business, legal affairs, finance, accounting, or related corporate operations. The term of office is three years, with the current members serving from June 17, 2024, to June 12, 2027. The committee's primary responsibility is to strengthen the Board's remuneration management function, overseeing the evaluation of the company's overall compensation management and welfare policies. It regularly sets and reviews the annual and long-term performance goals, as well as the compensation policies, systems, standards, and structures for directors and executives.

Committed to enhancing corporate compensation governance, the Compensation Committee operates under a series of strict principles to ensure that the company's compensation policies not only comply with legal requirements but also attract and retain outstanding talent. Furthermore, the committee performs its duties according to the standard of a prudent manager to guarantee transparency and fairness in the company's compensation policies, supporting the company's sustainable goal of fostering a diverse workforce and creating a happy workplace.

In 2024, the Compensation Committee held 2 meetings (A). The qualifications and attendance of the committee members are as follows:

Title	Nme	Actual attendance (B)	Number of Proxies Represented	Actual attendance rate (%) (B/A)	Remark
Convener	Kuo-Chun Chang	2	0	100%	
Committee member	Wen-Jie Wang	1	1	50%	
Committee member	Se-Chen Lai	1	0	100%	Released from duty on June 17, 2024
Committee member	Wei Wang	1	0	100%	Assumed position on June 17, 2024

■ Sustainability Committee

The Sustainability Committee regularly reports progress to the Board of Directors and conducts reviews and discussions to ensure the Board has full understanding and support of sustainability actions. By strengthening the integration of sustainability strategies with the Group’ s operational policies, the committee enhances the Board’ s oversight effectiveness on sustainability development and enables timely strategic adjustments or improvements in response to various challenges and opportunities.

The committee is composed of mid-to-senior level executives from various departments, including vice presidents and department heads from Public Relations, Finance, Rooms Operations, and Human Resources. It also includes a dedicated Sustainability Manager responsible for coordinating and overseeing sustainability-related affairs. The committee has multiple specialized subgroups, such as Corporate Governance, Environmental Sustainability, Labor Rights Protection, and Food Safety, each responsible for executing specific sustainability goals.

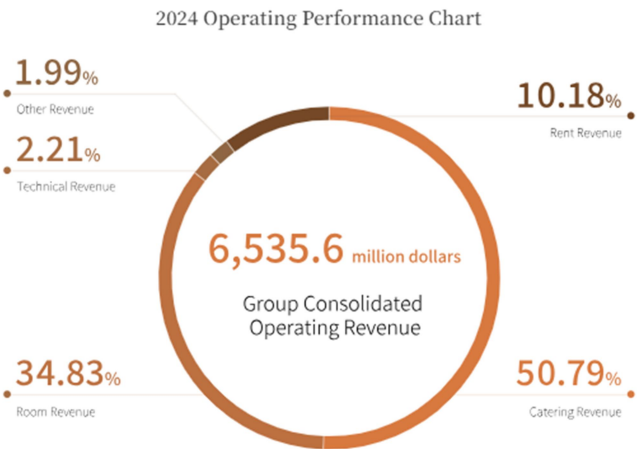
The Sustainability Committee meets at least once a month to regularly review and optimize sustainability strategies and implementation actions. It identifies and addresses sustainability issues of concern to stakeholders based on international standards, continuously adjusting strategies and action plans to strengthen the Group’ s overall sustainability performance. For more information on Silks Hotel Group’ s sustainability management, please refer to section 1.2 Sustainability Management and Structure.

2.1.2 Operational Performance

Silks Hotel Group demonstrated solid operational performance in 2024 under the backdrop of a stable return of international business and leisure travelers. At Regent Taipei, room revenue across the board exceeded pre-pandemic levels, with accommodation demand continuously growing and strong momentum in F&B and banquet services. The opening of new restaurants—Spice Market, Wellspring by Silks Beitou, and Mihan Restaurant—fueled record-high revenue for the Food & Beverage division. Stellar performance of Regent Galleria boosted rental income from the shopping mall, driving overall revenue significantly higher.

Silks Place Tainan showed resilience amid the domestic outbound travel boom by sustaining revenue through innovative services that integrate local culture, demonstrating strong market adaptability. Wellspring by Silks Beitou began trial operations in September 2024, offering the brand new growth opportunities. Silks Place Taroko reopened in mid-January 2025 following a nine-month closure due to the Hualien 4.03 earthquake, gradually stabilizing its operations and continuing to see revenue growth.

In 2024, Silks Hotel Group reported consolidated operating and non-operating income of NT\$6,535.6 million. The parent company’ s net income after tax was NT\$1,346.033 million, a decrease of NT\$69.522 million (-4.91%) compared to 2023, mainly due to the suspension of Silks Place Taroko caused by the 403 earthquake. Earnings per share stood at NT\$10.57, exceeding the Company’ s Paid-in Capital. The Board resolved an excess dividend of NT\$14.3612 per share, the second-highest on record, with a payout ratio of 135.87%, the third-highest historically.



Item	2022	2023	2024
Catering Revenue	2,829,445	3,313,245	3,176,987
Room Revenue	1,896,333	2,504,117	2,278,963
Other Revenue	871,545	947,680	1,079,650
Group Consolidated Operating Revenue	5,597,323	6,765,042	6,535,600
Group Consolidated Profit Before Tax	1,304,188	1,908,685	1,664,210
Earnings Per Share (EPS)	7.09	11.11	10.57

Unit: Thousand New Taiwan Dollars

2.1.3 Integrity Management and Regulatory Compliance

The Company upholds a sound corporate governance system, strengthens organizational transparency and decision-making accountability, and is committed to enhancing the effectiveness of the Board's operations and implementing the concept of integrity management, thereby safeguarding the rights and interests of investors and all stakeholders.

Integrity Management Policy

The Company has formulated the following integrity management guidelines based on the "Corporate Integrity Management Guidelines" and "Code of Ethical Conduct Reference Examples" for listed companies:

- Integrity Management Code
- Integrity Management Operating Procedures and Behavioral Guidelines
- Code of Ethical Conduct Management

These guidelines specify the matters all directors, executives, and employees must follow when performing their duties, including but not limited to ethical integrity, conflict of interest avoidance, business hospitality, fair trade, and confidentiality obligations.

Promotion and Implementation Mechanism

- Responsible Unit: The Human Resources Department is responsible for planning and promoting the integrity management policy to ensure business operations comply with legal, ethical, and social responsibility standards.
- Education and Training:
 - ✓ Regularly conduct integrity management education courses and assessments
 - ✓ Arrange pre-employment training for new hires and provide learning resources through the company's internal digital learning platform
 - ✓ Conduct irregular related training or assessments to reinforce employee awareness and implementation of the integrity management policy
 - ✓ Regularly promote the integrity policy and code of conduct through management meetings to strengthen awareness among all staff
 - ✓ Establish a risk assessment mechanism for dishonest behaviors
- Board Operation
 - ✓ According to the "Board Meeting Rules," a conflict of interest avoidance system is in place. Directors involved in conflicts of interest must disclose them during meetings and abstain from related discussions and voting, and may not proxy another's voting rights.

- ✓ Internal audit conducts audits according to the annual plan. If significant irregularities are found, they are promptly reported to the Chairman and submitted to the Board of Directors.
- Complaint and Whistleblowing System
 - ✓ Receiving Unit: The Human Resources Department is the dedicated unit for receiving and investigating complaints.
 - ✓ Channels: The company website's "Stakeholder Section" provides multiple whistleblowing and complaint channels, including hotline and email, offering effective communication methods for employees and external stakeholders.
 - ✓ Confidentiality: Strict confidentiality is maintained regarding whistleblower identity and complaint content, protecting whistleblowers from retaliation.
- Fairness and Transparency in Transactions
 - All business activities involving suppliers, travel agencies, customers, or other commercial partners are conducted based on the principles of fairness and transparency.
 - When selecting transaction partners, their legality and past integrity records are reviewed to avoid dealings with parties that have records of dishonesty.
 - Integrity clauses are explicitly stipulated in contracts, allowing the company to terminate the contract at any time if the counterparty engages in dishonest behavior.
- 2024 Implementation Status

During 2024, the Company did not receive any whistleblower reports involving major dishonesty or illegal conduct, nor were there any incidents of employees being improperly treated due to whistleblowing actions.

2.1.4 External Participation Organizations

Although the Company does not have a labor union, it actively participates in multiple external organizations and professional associations. Through these external platforms, the Company engages in multi-dimensional dialogue and cooperation to strengthen corporate governance, enhance social responsibility practices, and ensure business operations comply with ethical standards, legal regulations, and stakeholder expectations.

The main external organizations and associations the Group currently participates in include:

- National Association of Industry and Commerce, R.O.C.

- American Chamber of Commerce in Taiwan (AmCham Taiwan)
- British Chamber of Commerce in Taipei (BCCT)
- European Chamber of Commerce Taiwan (ECCT)
- Chamber of Commerce and Industry France Taiwan (CCIFT)

By actively participating in external organizations and professional associations, the Company can not only stay abreast of domestic and international industry trends, policy developments, and ESG-related regulatory changes, but also integrate external resources to strengthen resilience in facing market changes and regulatory evolution. These cross-sector dialogues help address stakeholder expectations and guide the Company in fulfilling responsibilities across the three ESG dimensions: Environment, Social, and Governance.

2.2 Risk Management

Silks Hotel Group is committed to sustainable development and actively embrace the United Nations Sustainable Development Goals (SDGs), with particular emphasis on Goal 8: Decent Work and Economic Growth; Goal 12: Responsible Consumption and Production; and Goal 13: Climate Action.

In accordance with the "Practical Guidelines for Risk Management of Listed Companies," the risk management policies and operating procedures have been established, clearly defining the Board of Directors as the highest governance body responsible for supervising the establishment and implementation of the overall risk governance framework. To enhance risk identification and control effectiveness, the Group has established a complete risk management system and written principles, and has formulated individual policies and management mechanisms for specific risk areas (such as information security, financial risk, etc.).



Risk Categories and Risk Control Strategies

The Group faces three major categories of risks—Environmental (E), Social (S), and Governance & Economic (G)—covering areas such as financial, operational, food safety, information security, human rights protection, occupational safety, and climate change. Dedicated units, in line with

established policies, continuously identify, assess, and manage these risks to minimize impacts on operations and sustainability. Risk management is led by the Finance Department, with the Board of Directors setting both overarching and domain-specific risk policies to strengthen governance. As society places increasing emphasis on labor rights and human rights, improper management in these areas may adversely affect the brand and operations. Additionally, labor shortages and high turnover rates pose ongoing risks.

Risk Categories		Responsible Unit	Risk Description	Potential Impact	Risk Control Strategies
Governance and Economic Risks	Corporate Governance	Board Operations Functional Committees	If the governance structure is not sound, it may lead to internal control failures, regulatory violations, and reduced trust from stakeholders.	Regulatory violations or governance disputes may trigger public opinion and diminish stakeholder trust.	The Board of Directors is the highest risk management body, regularly reviewing internal control systems. Compliance and audit units are established to ensure legal adherence and operational transparency. Build brand trust through sustainability report disclosures and proactive communication with stakeholders. Ensure functional committees operate in compliance with laws and regulations. Maintain transparency through open information disclosure.
	Financial Risk	Finance Department	Operations are affected by multiple financial risks, including market risks (such as	Financial policy errors may trigger cash flow disruptions and credit rating downgrades.	Adopt conservative financial strategies by maintaining sufficient liquidity and capital reserves. Manage and allocate funds effectively, ensuring the collection of accounts receivable. Ensure compliance with relevant laws and regulations and conduct ongoing awareness campaigns; monitor interest rate fluctuations.

			exchange rate and price risks), credit risk, and liquidity risk.		Conduct operational performance analysis and risk control.
Governance and Economic Risks	Operational Risk	General Manager and Department Heads	Including situations such as labor shortages, service interruptions, or system failures. Performance impacts caused by geopolitical issues, extreme weather, legal changes, technological risks, and inflation.	Changes in consumer behavior leading to a decline in operational performance. Increased operating costs resulting in reduced profits.	Formulate company operational strategies and evaluate operational effectiveness. Establish a crisis management team and develop an "Emergency Incident Handling and Response Procedure Manual." Collaborate with multiple suppliers to reduce impact. Develop digital marketing strategies and diversify product development and promotion. Conduct new business investment evaluations and development to diversify operational risks. Build operational backup mechanisms and enhance employee retention and flexible scheduling capabilities. Incorporate raw material price increases and inflation risks into the annual operational plan to minimize their impact on profit and loss.
	Information Security Risk	IT Department	Risk of data breaches or system attacks that may	Hacking attacks or data breaches resulting in operational	Establish a dedicated cybersecurity department and implement computer network security controls. Conduct information security awareness training. Develop information security incident reporting procedures.

			jeopardize customer and company data	disruptions and loss of customer trust	Perform regular information security audits; conduct periodic vulnerability scans and drills. Establish customer privacy protection policies.
Governance and Economic Risks	Corporate Image	Finance Department, Public Relations Department	Reputational risk, financial risk, legal compliance risk, human rights protection risk, and supply chain risk potentially arising from corporate business practices.	Issues such as customer disputes, employee misconduct, discrimination, or sexual harassment can quickly escalate through social media, causing immeasurable negative impacts on corporate reputation.	Establish crisis response procedures to prevent sudden negative publicity events. Set up multiple complaint channels to promptly address customer and employee feedback. Establish spokespersons and crisis management teams to swiftly handle disputes.
	Food Safety Supply Chain Management	Food Safety and Hygiene Team	Failure to implement safety standards in food and beverage services may lead to customer health	Food safety incidents may cause damage to the company's image and result in liability for compensation.	The Food Safety Committee is responsible for developing standard operating procedures and conducting regular audits. Develop response measures for changes in food safety regulations. Establish food safety systems and HACCP principles to implement food safety risk hazard analysis. Strengthen procurement and supply chain management with

			risks and penalties for violating related regulations.		routine inspections.
Human Rights Protection – Social Aspect	Occupational Safety and Health	Labor Safety and Health Team	Employees may face the risk of work-related injuries within the operational premises	Improper equipment operation or inadequate implementation of workplace safety measures may lead to occupational injuries and health issues among employees. Occupational safety incidents can result in lawsuits, fines, operational disruptions, and damage to reputation.	The Occupational Safety and Health Committee and safety officers regularly review risks and supervise the implementation of SOPs. Implement labor safety and health management along with safety education and drills. Develop occupational hazard prevention plans. Strengthen epidemic prevention measures and provide protective equipment to safeguard employee health.
	Employee Care and Human Rights	Human Rights Protection Team	Operational risks arising from employee dissatisfaction,	With increased social attention to human rights and labor rights,	Competitive compensation systems and flexible benefits to attract and retain talent Establishment of employee care programs providing psychological counseling, career development, internal

	Protection		recruitment difficulties, reduced retention rates, and labor shortages.	improper handling of human resource policies, employee treatment, or human rights protection by the group may lead to risks such as brand reputation damage, lawsuits, operational disruptions, and potential social criticism or fines.	promotion opportunities, and employee communication channels Annual Human Rights Due Diligence to identify and manage risks, along with a human rights grievance mechanism Development of corporate human rights policies committing to non-discrimination and zero tolerance for harassment, promoting gender equality and diversity education to foster an inclusive culture
Human Rights Protection – Social	Talent Retention and Training	Human Resources Training Team	Facing long-term challenges of labor shortages and high turnover rates, which may lead to unstable service quality and loss of competitiveness.	With the trends of declining birth rates and aging population, the supply of human resources in the service industry is tightening. Coupled with the younger generation's changing expectations	Promote diverse hiring and local employment policies to strengthen organizational resilience. Collaborate with schools or local institutions for industry-academia cooperation to enhance talent development and recruitment channels. Enhance employee care and offer benefits superior to industry standards. Implement training programs and ensure the transfer of professional knowledge.

				regarding working hours and career development, this leads to high turnover rates and labor shortages, impacting service quality and operational stability.	
	Community Engagement and Shared Prosperity	Stakeholder Engagement Taskforce	Focus on Stakeholder Concerns Corporate social responsibility has become a top priority in sustainable development.	If a company's local operations cause disturbances, environmental damage, or fail to communicate properly, it may trigger community protests or media coverage, resulting in damage to the brand image.	Promote green tourism to drive regional development. Cooperate with the Tourism Bureau to conduct domestic and international promotional activities to enhance Taiwan's image. Strengthen community engagement and public welfare programs through park adoption, sponsorship of charitable organizations, charity Christmas markets, sales, and blood donation drives. Support disadvantaged families in remote areas and the Hualien Dawn Shelter Workshop. Promote green procurement, fostering mutual prosperity with local communities.
Environment	Environmental Protection and Energy	Sustainable Energy Management Team	The government's increasingly stringent	Rising energy and raw material costs, along with poor ESG ratings, negatively	The Environmental Sustainability Team is responsible for promoting energy-saving projects, conducting carbon inventories, and supervising execution effectiveness. Set carbon reduction targets, introduce high-efficiency

			carbon emission controls and environmental policies pose pressure on the hotel industry, which is energy-intensive and highly dependent on energy resources, impacting the company's operations and financial planning.	impact investor perception and investment opportunities. Failure to implement control measures may result in high operational costs or penalty risks.	equipment, and implement green environmental designs. Expand the use of local ingredients to reduce the carbon footprint of the supply chain. Integrate energy-saving concepts into daily operations through announcements, education, and training. Establish management of energy use efficiency and greenhouse gas reduction targets; implement energy-saving policies; strengthen supply chain integration and seek alternative raw materials.
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Environmental Risks	Climate Change	Sustainable Energy Management Team	Frequent occurrences of extreme weather events (such as typhoons, heavy rains, droughts, etc.) increase the likelihood of disasters at the company's operation sites, potentially causing equipment damage, operational disruptions, or supply chain interruptions.	Climate change may lead to an increase in the frequency and intensity of natural disasters, thereby impacting operational facilities, supply chain stability, and energy use efficiency.	Implement identification of climate change risks and opportunities, establish indicators based on the findings, and conduct target management: including waste management and reduction, wastewater discharge control, reducing ineffective electricity waste, plastic reduction programs, and purchasing environmentally certified equipment. Establish disaster response SOPs and maintain adequate natural disaster insurance to diversify loss risks. Participate in organizational sustainability initiatives to stay ahead of policy trends and plan proactively. Develop response procedures and disaster prevention plans, and build backup mechanisms.
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■ Risk Management Implementation Overview

The Group continuously reviews its risk management system and operational mechanisms dynamically in response to external environmental changes and internal operational conditions, aiming to strengthen early warning and response capabilities. When the Group encounters significant risks or abnormal events, the responsible units promptly conduct risk assessments and formulate specific countermeasures and improvement plans to minimize potential impacts on operations and stakeholders.

As of the report date, except for Silks Place Taroko which ceased operations for several months due to the 403 earthquake, no other major risks causing operational interruptions or reputational damage have occurred at the Group' s other operating locations. This indicates the current risk management mechanism is effective to a certain extent, and efforts will continue toward a more comprehensive risk governance system.

Furthermore, execution status and improvement results of major risks are reported to the Board of Directors. Through senior-level oversight, the Group continually reviews and optimizes risk response actions to enhance overall risk governance capability and operational resilience.

For details regarding food safety, supply chain, occupational safety, climate change, information security, and employee care, please refer to the respective sections.

2.3 Innovation and Customer Service

Performance Results

- Customer satisfaction averaged 86 points, with 90% positive reviews on OTA platforms.
- Invested NT\$89.64 million in culinary innovation and R&D, including the integration of AI and 5G technologies to enhance service efficiency.
- Combined wellness tourism with local experiences to continuously expand high value-added service offerings and strengthen brand recognition.

Future Goals

Short-term Goals	Medium to Long-term Goals
• Design themed itineraries based on seasons and festivals. • Develop innovative menus and collaborate with international chefs to enhance attractiveness and competitiveness.	

Future Goals

Short-term Goals	Medium to Long-term Goals
• Optimize brand positioning and operational model. • Enhance customer experience and product diversity to steadily move toward sustainable operations.	

Impact

Following the pandemic, drastic changes in travel patterns, coupled with labor shortages and the pressure of new hotel openings, have compelled the Group to accelerate product optimization and digital transformation. With consumer demands becoming increasingly diverse, service innovation and customer experience management have emerged as core challenges. Only through agile adaptation can we maintain market competitiveness and brand trust.

Policy Commitment

Silks Hotel Group is committed to providing service experiences that are both heartfelt and culturally enriched, embracing diversity and practicing the spirit of "empathy" in hospitality. By deeply cultivating local culture and natural resources, while integrating local characteristics with social responsibility, we drive sustainable service innovation and brand development. We ensure that our products and services are not only market-competitive but also aligned with contemporary societal expectations on environmental and social responsibility, thereby fulfilling our commitment to sustainable service innovation and brand promise.

Actions Taken

- **Promotion of Sustainable and Responsible Tourism:**
Silks Hotel Group leverages hospitality services as its core platform to actively develop distinctive travel experiences that integrate local culture, thereby realizing the concept of sustainable and responsible tourism.
- **Multilingual Customer Service and Real-Time Response Mechanism:**
We have established customer service mailboxes in five languages, dedicated service hotlines, online chat support, and social media interaction, supported by dedicated staff to ensure real-time responses to customer needs within 24 hours.
- **Enhancing Customer Communication and Service Quality:**
Each hotel continues to strengthen customer communication processes, improving service transparency and customer trust through response mechanisms and a designated person-in-charge system.
- **Balancing Customer Satisfaction and Employee Training:**
We regularly analyze customer satisfaction and market trends, combining these insights with employee training programs to strengthen service quality and problem-solving capabilities, thereby enhancing the overall customer experience.

Evaluation Mechanisms

- Service effectiveness is comprehensively reviewed through operational performance tracking, customer satisfaction surveys, and OTA platform ratings.
- Innovation and R&D investments, along with feedback data, are continuously monitored to dynamically optimize business strategies, ensuring that products and services remain closely aligned with market trends and customer needs.

Stakeholder Engagement

Silks Hotel Group strengthens customer participation through CRM, internal training, and local activities, addressing community and employee needs while implementing sustainability principles. Each hotel integrates local culture into accommodation and dining projects, such as in the Zhongshan District, where in-depth exploration experiences are designed to support the local economy. Operational strategies focus on SDGs 11, 12, and 13, creating environmentally friendly and high-quality hospitality experiences that enhance both market competitiveness and social responsibility.

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2.3.1 Local Engagement and Promotion of Responsible Tourism

Innovative Products and Services

Silks Hotel Group continues to cultivate local culture and natural resources, strengthening connections with regional cultural landscapes to create tourism experiences with both depth and sustainable value. By integrating local characteristics, the Group enhances the cultural significance of hospitality services, fulfilling its commitment to community inclusion and cultural preservation (see the Sustainable Tourism section for details).

For example, Taipei's Zhongshan District was recognized by the British cultural magazine Time Out as one of the "40 Coolest Neighborhoods in the World" in 2023, celebrated for its traditional customs, historic architecture, and vibrant entertainment culture that attract international travelers. Regent Taipei, located in this district, actively collaborates with nearby cultural and commercial areas to promote urban exploration and arts and cultural activities, fostering cultural sharing and local connections.

In Tainan, Silks Place Tainan curates educational and experiential journeys that feature heritage tours, local cuisine, and folk activities, thereby promoting cultural preservation and community engagement. Meanwhile, Silks Place Taroko, located within the majestic Taroko National Park, embraces the philosophy of low-impact tourism, balancing ecological protection with tourism quality to realize environmental sustainability goals.

Additionally, situated in the east with the magnificent natural scenery of Taroko National Park, Silks Place Taroko embraces the concept of Low-impact Tourism, providing visitors close encounters with nature while prioritizing environmental protection, achieving a win-win situation for tourism development and ecological sustainability.

Innovative Products for Economic Sustainability

Silks Hotel Group continuously integrates innovative thinking with local resources, promoting cultural experience products and immersive travel services to enhance guests' understanding of local culture, while simultaneously supporting local economic development and practicing sustainability from an economic perspective.



Cultural Experience Activities

Provide a variety of cultural activities to enhance guests' understanding of local culture and encourage cultural exchange.

- Collaborate with local culture and diverse industries through project design and integration with accommodation packages, enhancing product uniqueness and attracting different traveler segments; examples include "Greater Taipei Lunar New Year Shopping Circle – Dragon Leaps Across Taipei," "2024 Taipei Lantern Festival," "Dadaocheng Summer Festival," "Taipei Grand Trail," and "Nature & Cultural Ecotour" events.
- Promote product and itinerary design centered on "local storytelling," adding greater social value to travel experiences.
- Partner with local artists and the Anping Rehabilitative & Educational Center to hold experiential activities, encouraging youth creativity and integrating cultural revitalization with public welfare.
- Local cultural tours: The "Spring Blessings Walk" immersive experience guides guests to temples for worship, enhancing understanding of local beliefs and humanities, and deepening the value of cultural tourism.



Sustainable Development

- Promoting Sustainability: Develop energy-efficient and high-performance accommodations; encourage guests to participate in environmental actions, reducing food waste and unnecessary resource consumption.

- Sustainable Dining Experience: Promote the use of local ingredients to lower carbon footprint, and collaborate with brands to host low-carbon dining events, realizing a sustainable business model.
- Innovative Technology Services: In the era of AI, the Group implements AI-powered service systems to enhance service quality and convenience, strengthening the guest experience.
- At the "5G Integrated Innovation Application Project" results presentation, the Group partnered with multiple technology companies to apply 5G technology combined with 3D modeling and panoramic projection, establishing a key milestone for digital transformation in the hospitality industry.

Innovative Products for Environmental Sustainability

Emphasizing environmental responsibility, the Group continuously leverages innovative technologies, green facilities, and sustainable dining to reduce environmental impact, implement eco-friendly operations, and strengthen the development and application of sustainable products.



Sustainable Green Tourism

- Guestroom bath amenities are fully provided in large refillable containers, promoting reusable items to enhance eco-friendliness.
- Improving efficiency and cost-effectiveness: Through energy management systems and resource recycling programs, energy use efficiency and cost-effectiveness are effectively increased.
- Actively replace high-efficiency, energy-saving equipment and use building materials and supplies with environmental labels.
- Implement renewable energy solutions to gradually reduce reliance on conventional energy sources.
- Encourage staying guests to forgo daily linen, towel, and bedding changes, reducing laundry frequency and minimizing water and detergent discharge.



Healthy and Sustainable Travel

Launch hot spring healing programs certified by Japanese authorities, emphasizing natural therapy and low-carbon travel. Integrating guided experiences with wellness and health concepts, these programs provide travel options that are both sustainable and supportive of physical and mental well-being.



Sustainable Dining Experience

- Introduce AI-powered food waste processors to reduce food loss, implementing kitchen-level source control and waste reduction. Apply digital tools for operational monitoring and promotion of eco-friendly actions, achieving smart management alongside sustainable operations.
- Launch the "Surplus-to-Savor" program, transforming surplus ingredients into delicious dishes, integrating sustainable dining with innovative table concepts.
- Promote the "Sustainable Table" initiative by using locally sourced sustainable ingredients to reduce food carbon footprints.
- Incorporate environmental concepts into the guest experience, advocating a low-carbon dining culture.

2.3.2 Achievements and Local Engagement

Through cross-sector collaboration and urban participation, Silks Hotels Group demonstrates proactive efforts in ESG areas such as energy conservation and carbon reduction, cultural promotion, and community connection, creating a tourism model with greater sustainable value.

Over the years, we have invited nearly 50 renowned chefs from five continents with over 50 Michelin stars and hosted numerous high-end events including international luxury brand annual Galas, private chef banquets and catering, and VIP wine tasting events. With 30 years of culinary excellence, we lead Taiwanese cuisine onto the international stage through outstanding service and innovative spirit.

Regent Taipei continues to support the United Daily News Group's 2024 Fourth Annual "500 Dishes" event. The event featured 50 celebrity judges from various professional backgrounds jointly promoting the concept of "Evaluating Food from a Taiwanese Perspective." Regent Taipei's restaurant, Jin Xuan, earned 17 awards with 12 dishes in a single restaurant category, maintaining first place and setting the highest record in the event's history. This marks the fourth consecutive year the restaurant has received the award, concretely demonstrating its commitment to promoting culinary culture.

In conjunction with the Tainan Art Museum's annual special exhibition "Millennial Southern Encounters – National Palace Museum Treasures in Tainan," the culinary team at Silks Place Tainan creatively extended the theme of cultural relics into their dishes. They crafted exquisitely detailed walnut pastries

modeled after early Qing dynasty carved walnut basket designs and replicated six exquisite à la carte dishes based on classic works by Song dynasty painters, allowing gourmets to appreciate the timeless cultural ethos of “food as the primary necessity” with elegant culinary aesthetics from 800 years ago.

In partnership with the Taipei City Government’s “Taipei Water Dance Carnival” at Xikou Pier Rainbow Bridge, Regent Taipei launched a lodging package combining local culture and sustainability concepts, fulfilling the company’s commitment to environmental friendliness and social inclusion. The package included shuttle services to the event site to reduce individual carbon emissions and encouraged guests to explore nearby cultural attractions, thus promoting local tourism and economic development.

Regarded worldwide, the Haute Grandeur Global Awards aim to recognize outstanding hotels and spas with exceptional service and experiences. The judging panel gathers guest feedback from major online travel platforms such as TripAdvisor, Booking.com, Hotels.com, and Expedia as scoring criteria. Regent Taipei’s Mulian Spa once again won two prestigious awards, reflecting the hotel’s dedicated efforts in facility maintenance and consumers’ appreciation of the comfortable lodging, dining, shopping, and spa leisure experiences provided.

■ Innovative Products Enriching Local Diverse Food Culture

Mountain, Land, and Sea – Sustainable Island Table

Silks Place Tainan hosted five grand feasts under the theme “Mountain, Land, and Sea – Sustainable Island Table,” integrating sustainability concepts with top-tier cuisine to actively practice ESG principles in sustainable dining. The event invited two chefs—one from AKAME restaurant in the Wutai Tribe of Pingtung and the other from Sinasera 24, a French cuisine restaurant in Changbin, Taitung—to collaborate. Utilizing locally sourced, eco-friendly ingredients from 10 cooperative agricultural, forestry, and fishery teams, they presented eight dishes that combine deliciousness with ecological awareness, showcasing a sustainable value chain from farm to table. This initiative substantively supports multiple United Nations Sustainable Development Goals (SDGs), including zero hunger, responsible consumption, and biodiversity conservation.

Lemongrass Lime Ale

To promote local collaboration and green consumption, Regent Taipei again partnered with local brand Taihu Brewing to co-develop a “Lemongrass Lime Ale” that fuses Thai-style flavors with sustainability concepts. By brewing locally and using eco-friendly agricultural ingredients, the product reduces transportation carbon footprint and supports local agricultural development, reflecting the brand’s commitment to environmental friendliness and ingredient traceability. This cross-sector collaboration enhances mutual benefits among local enterprises and provides guests with a dining experience that blends great taste with sustainable value, jointly advancing social responsibility and green dining.

Kurt Perschke’ s “Red Ball Project”

Silks Place Tainan responded to American artist Kurt Perschke’ s “Red Ball Project,” promoting art and urban integration under ESG shared-value principles. The hotel exclusively created an immersive themed guest room featuring red ball towels made from recycled fabric, interactive games, and red creative decorations, inviting guests to explore Tainan’ s attractions and inspire creative participation. Collaborations with local bars for co-branded cocktails and social media filters foster local culture and community engagement, promoting the value of public art. This exhibition not only enhances the travel experience but also embodies environmental sustainability, cultural inclusion, and community connection.

Three-Star Restaurant “MOSU Seoul”

To elevate the high-end dining experience and international visibility, Regent Taipei invited Sung-jae Ahn, chef of the 2023 Michelin three-star restaurant “MOSU Seoul,” to guest-serve at Robin’ s Teppanyaki in 2024. The “Regent x MOSU Seoul” exclusive feast showcased deep cross-cultural creative cuisine. This guest event highlights Regent’ s focus on local ingredients and strengthens collaboration with top international culinary brands, reflecting the hotel’ s ongoing commitment to innovative services and sustainable dining.

■ Muslim Friendly Restaurant (MFT) Hospitality Certification

To meet the growing and diverse needs of international travelers, since 2014, our group has annually received the "MFT Muslim Friendly Tourism Certification" and the "MFT Muslim Friendly Restaurant Certification." We continuously participate in professional training courses and enhance both hardware and software facilities to ensure that kitchen management, room service, and ingredient usage comply with the standards and regulations of the Muslim Friendly Tourism certification. Our goal is to provide Muslim guests with a safe and comfortable travel experience with the utmost friendliness.

In 2024, the group invested NT\$8,964,000 in the research and development of innovative dining products, continuously optimizing operational performance and enhancing market competitiveness. We remain committed to sustainable development and strive to meet and exceed the ever-evolving expectations of customers and the market through ongoing innovation and service quality upgrades.

2.3.3. Excellence in Customer Service"

SHG is dedicated to enhancing customer satisfaction through high-quality products and attentive service. To comprehensively gather customer opinions and suggestions, we have established diverse and convenient communication channels, including a customer relationship management (CRM) system supporting five languages with dedicated email support, exclusive service phone lines for each hotel (detailed on the official website), real-time online chat

support, and interactions on social media platforms. Each hotel assigns dedicated personnel to ensure responses to customer inquiries within 24 hours, demonstrating our strong commitment to valuing customer feedback.

We are always grateful for customers' recognition and positive feedback, sincerely inviting them to visit us again. Beyond immediate responses, the group continuously collects and integrates diverse voices through customer satisfaction surveys, social media monitoring, and feedback forms. All feedback is regularly compiled and analyzed by dedicated units, producing satisfaction reports that form the basis for improvement plans, which are then implemented in our products and service processes to achieve continuous optimization and excellence in operation.

Strategies to Enhance Customer Satisfaction and Brand Image

Boosting Customer Loyalty

We prioritize personalized service to make each customer feel valued, increasing satisfaction and fostering loyalty for repeat business and recommendations.

Creating Unforgettable Stays

Through local cultural activities, authentic food, and personalized travel tips, we offer deep local experiences for unique and memorable stays.

Meeting Customer Needs Promptly

We handle feedback and issues quickly and professionally, ensuring timely and proper resolution to improve service quality and customer trust.

Building a Strong Brand

Excellent service is key to our reputation. Exceeding expectations enhances brand perception, attracting and retaining customers, and strengthening our value and competitiveness.



In 2024, the average guest satisfaction score reached 86 points, reflecting strong recognition and high appraisal of the hotel's service quality. Reputable international travel OTA review platforms, including Agoda, Booking.com, Expedia, and Tripadvisor, show that up to 90% of guests acknowledge the high quality of our services.

Innovative and excellent customer service is the driving force behind our hotel operations. Through continuous optimization of service workflows, deepening employee professionalism, and strengthening customer interaction, we not only meet customer expectations but strive to exceed them, creating memorable lodging and dining experiences. This effort solidifies our brand value and propels the company steadily toward sustainable business goals, achieving a win-win for both customer value and corporate development.



2.4 Food Safety and Health

Performance Results • In 2024, none of the Group's hotels were fined for violations of food safety and hygiene regulations. • In August 2024, the banquet halls of Regent Taipei completed the latest annual audit of the HACCP Food Safety Management System issued by TQSCI. • In 2024, Regent Taipei and Silks Place Tainan conducted a total of 86 voluntary microbiological tests, 36 internal audits of food safety and hygiene, and 76 inspections of premises cleanliness and sanitation.	Future Goals Short-term GoalsMedium to Long-term Goals • Enhance a food safety culture and focus on improving supply chain transparency and response effectiveness, creating stakeholder trust and sustainable value.	Future Goals Short-term GoalsMedium to Long-term Goals • Strictly comply with food safety regulations, provide employee training, and monitor raw materials to ensure frontline operations are safe and secure.
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Impact	Failure to implement food safety standards in food and beverage services may seriously jeopardize customer health and damage brand reputation, potentially leading to operational disruptions and regulatory penalties. With increasingly stringent food safety regulations and heightened consumer attention, the Group must strengthen risk management and real time response capabilities to ensure operational stability and maintain customer trust.
Policy Commitment	Silks Hotel Group is committed to implementing high-standard food safety and hygiene management systems, enhancing employee and supplier training, and enforcing comprehensive food safety management systems to ensure compliance with food safety regulations as well as GHP and HACCP standards. This approach safeguards every step of the food journey from farm to table. In line with the United Nations SDGs 3 and 12, the Group fulfills its corporate responsibility by protecting consumer health and well-being while maintaining corporate reputation and brand image.

Actions Taken	The Group has established a Food Safety Risk Management and HACCP Team to comprehensively implement the "Food Safety and Hygiene Standard Operating Procedures." Regular internal and external audits, supplier evaluations, and employee training are conducted simultaneously to ensure that every process complies with regulations and quality requirements, safeguarding customer health from source to table.
Evaluation Mechanisms	• The Group conducts annual internal and external audits, food testing, and supplier evaluations to comprehensively review the implementation of food safety measures. • Simultaneously, training hours, records of food safety violations, and results of voluntary testing are compiled to serve as a basis for risk alerts and continuous policy improvement.
Stakeholder Engagement	The Group proactively collaborates with employees, suppliers, and regulatory authorities to enhance training and supply chain communication, strengthening upstream oversight and information transparency. Through cross-departmental coordination and real-time reporting mechanisms, the Group effectively improves overall risk response capabilities and stakeholder trust.

Silks Hotel Group continues to deepen its commitment and take concrete actions in the field of food safety and health management. We actively respond to the United Nations Sustainable Development Goals (SDGs), specifically SDGs 3: Good Health and Well-being, and SDGs 12: Responsible Consumption and Production. We comprehensively strengthen food safety systems and promote education and training for employees and suppliers to ensure all staff adhere to the strictest hygiene standards and operating procedures.

To safeguard consumer health, the Group has established a comprehensive food safety management system and maintains an independent testing laboratory. Through ongoing internal and external audits, we thoroughly inspect every stage of the food production process to ensure compliance with

domestic and international regulations and standards. In the event of any food safety concerns, an immediate response mechanism is activated to swiftly implement corrective and preventive measures, minimizing risks and damages.

In supply chain management, the Group strictly reviews supplier qualifications and procurement conditions to ensure the quality, safety, and stable supply of raw materials. We have fully implemented ingredient traceability management to enhance supply chain transparency and accountability, fulfilling the responsibility of control "from farm to table."

2.4.1 Food Hygiene and Safety Management

■ Food Safety Risk Management

Silks Hotel Group insists on promoting all food safety operations through scientific and systematic methods, fully implementing standardized management processes. To strengthen risk control and organizational responsiveness, a Food Safety Risk Management Task Force has been specially established, led personally by the General Managers of each hotel, and composed of cross-departmental members including the Sustainability Vice President or dedicated personnel, hygiene managers, F&B supervisors, and executive chefs. This team is responsible for comprehensive supervision and execution of the food safety management mechanism.

The Group fully complies with international standards such as Good Hygiene Practices (GHP) and Hazard Analysis and Critical Control Points (HACCP), formulating the "Food Safety and Sanitary Environment Standard Operating Procedures" as the basis for self-management and internal audits, ensuring all food preparation and service processes meet high hygiene and quality standards, protecting consumer health from farm to table.

The Group also establishes a "Food Safety Control System" procedure manual covering nine major areas, based on the Food Safety and Hygiene Management Act, Good Hygiene Practice Guidelines, Food and Related Product Recall and Destruction Regulations, and other relevant food hygiene laws, ensuring each operational process has clear standards and supervisory mechanisms.

01 Incoming Goods and Inspection

Monitor the transportation process of ingredients and raw materials, truck temperature, quality of delivery and acceptance, and inventory quantity.

02 Waste and Pest Control Management

The Food and Beverage Department and the Function Dining Department are responsible for supervising the cleaning company and ensuring the legal disposal of food waste and other waste; carefully select professional pest control companies to regularly disinfect kitchens, restaurants, and work areas to effectively implement pest control.

06 Production Workplace Hygiene and Environmental Maintenance

The HACCP control team is responsible for the daily routine audit of environmental hygiene and cleanliness in each business unit, providing improvement methods for deficiencies and conducting follow-up inspections.

Food Hygiene, Safety, and Inventory Control

Obtain qualified inspection certificates for ingredients and raw materials, supervise warehouse personnel to follow the first-in, first-out principle for delivery, and implement inventory management.

Food Safety and Hygiene Environmental Standard Operating Procedures

03 Employee Food Safety and Hygiene Education

Conduct internal and external training courses to enhance personnel's professional skills.

04 Food Preparation and Process Control

Control procedures from ingredient preparation to finished product serving (including manufacturing, temperature control, preparation procedures, cross-contamination prevention, operator hygiene, and record maintenance), and conduct random inspections of semi-finished products' physical and chemical properties.

05 Self-inspection and External Testing

Conduct irregular self-inspections or external testing of pesticide residues in raw materials, and physical and chemical properties of semi-finished and finished products.



Food Safety Supervision and Implementation

To effectively oversee food safety and hygiene standard operating procedures, Silks Hotel Group has established an HACCP Control Team that holds regular meetings. These meetings review deficiencies identified in food safety and hygiene audits and the corresponding corrective actions, discuss newly enacted food safety regulations, and develop standard operating procedures. Meeting contents are documented and retained electronically.

Functions and Implementation of the HACCP Control Team

To ensure the effective execution of the food safety management system, the Group has established a Food Safety Control Team in accordance with the HACCP system framework, implementing the following core functions:

- **Organizational Structure and Role Division:** The control team consists of hygiene management supervisors, hygiene specialists, food and beverage supervisors, and executive chefs, responsible for drafting, revising, and abolishing the food safety management plans, comprehensively supervising and ensuring that daily operational hygiene meets the highest standards.
- **Training and Certification:** All team members must complete more than 60 hours of HACCP-related training courses and obtain relevant certificates. All HACCP and GHP related documents and record forms must be properly organized and preserved for auditing and traceability.
- **Continuous Professional Development:** To maintain and improve professional standards, team members participate in at least 12 hours every three years of HACCP professional courses, seminars, or training sessions approved by the central competent authority, with proof of training hours obtained.
- **Food Safety Document Management Mechanism:** Drafting, revising, and approving all food safety documents are conducted through a clear workflow — drafted by hygiene management personnel, reviewed by the banquet deputy chef, and approved and signed by the banquet operations director, ensuring institutionalized management and clear accountability in decision-making.
- **Implementation of HACCP Principles and Real-time Monitoring:** By systematically applying the seven HACCP principles, risks and critical control points (CCPs) in food and beverage processes are identified and controlled. Real-time monitoring and corrective actions are core to safeguarding food hygiene and customer health.



To enhance the effectiveness of the food safety management system, the Group simultaneously plans and implements internal audit processes, covering all stages from ingredient procurement, storage, and preparation to dining environment inspections. Regular cleaning and corrective action mechanisms ensure the continuous optimization of the food hygiene management system. The main focus areas are as follows:

01	Internal Audit Implementation Mechanism Based on the annual audit plan, the Group regularly reviews and evaluates the effectiveness of the Food Safety Control System, ensuring that all operations comply with HACCP risk control standards and verifying the implementation of established objectives and improvement outcomes.	
02	Auditor Professional Qualifications Audits are conducted by hygiene management personnel who have received HACCP and relevant food safety professional training, ensuring that audit work is impartial, professional, and consistent.	
03	Audit Frequency All food and beverage units undergo at least one comprehensive internal audit per year. Enhanced or ad hoc audits may be conducted depending on actual operational risks.	
04	On-site Audit Process During audits, the audited unit may designate representatives to accompany the process for real time communication and follow-up improvements. Audit results are recorded in the "Food Safety and Hygiene Internal Audit Report" and evaluated using standardized scoring tables.	

05

Corrective Action and Follow-up Mechanism

For any anomalies or deficiencies identified during audits, the responsible unit must submit a concrete improvement plan within the specified timeframe. The plan is reviewed and approved by the supervisory unit and executed, with progress continuously tracked until full resolution.



06

Equipment Inspection and Replacement

Facilities and equipment that may affect hygiene and quality are periodically assessed for functionality and safety. Necessary updates and replacements are planned annually according to the budget to maintain a stable and reliable hygiene operating environment.



■ Ingredient Traceability and Food Labeling Management

In response to increasingly stringent food safety regulations and to protect consumer health, Silks Hotel Group actively strengthens raw material source management and transparency mechanisms. All procurement processes for raw materials, semi-finished products, and finished products have established traceability systems, ensuring strict control from ordering, receiving, to daily kitchen operations. All ingredients must indicate expiration dates and follow the “First In, First Out (FIFO)” principle for inventory management; various seasonings are also clearly labeled with purchase dates for timely tracking of suppliers and ingredient batch sources. Some product information has been uploaded to the Food Traceability Management Information System platform under the Ministry of Health and Welfare’s Food and Drug Administration, further ensuring complete transparency and information security from farm to table.

The Group’s buffet-style restaurants, including Belle Étage and Thai Market, also comply with the Taipei City Government’s “Hotel Buffet Zone” ingredient registration policy by proactively disclosing main ingredient sources. Customers can query ingredient origins and supplier information through the platform, enhancing customer trust in food safety.

Additionally, for customized packaged retail products, we strictly follow the “Food Safety and Sanitation Management Act” regulations on food labeling and advertising management, ensuring clear labeling and complete information. The content covers product name, manufacturer, contact information,

and address for traceability purposes, or proactively reports information to competent authorities, fulfilling procurement traceability and information disclosure responsibilities.

2.4.2 Operational Site Certification and Personnel Management

■ Workplace Certification

Silks Hotel Group recognizes the complexity and scale of the food and beverage business, which presents significant challenges for food safety management. In particular, banquet operations—covering weddings, feasts, product launches, year-end parties, and corporate meetings—involve large-scale catering, complex menus, and substantial on-site manpower, all of which increase food safety risks. Therefore, we conduct comprehensive hazard analyses for each type of banquet and establish strict Critical Control Points (CCPs) based on HACCP principles, ensuring that food preparation, production, and service meet the highest safety standards.

Obtained TQSCI HACCP certification
since 2014

HACCP

Food safety management fully complies
with ISO19011

ISO19011

Since 2014, the banquet halls of Regent Taipei have obtained HACCP food safety certification issued by TQSCI, establishing a supervised and traceable management system. The halls successfully passed the latest three-year recertification audit in September 2023 and completed the annual audit in August 2024 in accordance with ISO 19011 internal audit standards, demonstrating our commitment to continuous food safety improvement and adherence to international standards.

■ Personnel Hygiene Management

To maintain the highest food hygiene standards, we fully implement a personnel health management system in accordance with the Food Safety and Hygiene Management Act and related regulations, strictly controlling daily checks and annual examinations to effectively prevent potential risks.

All on-site food and beverage staff must pass rigorous hygiene screening procedures. New employees are required to undergo comprehensive health examinations conducted by accredited medical institutions before officially starting work, ensuring no



Education, Training, and Development

Training System and Curriculum Design: The annual training plan covers onboarding for new employees, on-the-job hygiene reinforcement courses, and incident review exercises. The curriculum includes:

- Basic knowledge of food hygiene
- HACCP and GHP operational principles
- Prevention of food cross-contamination
- Identification of food allergens and labeling standards
- Epidemic prevention measures
- Personal hygiene and self-management of health

diseases or infections that could compromise food safety.

For kitchen and frontline catering staff, specific health checks are conducted annually. Supervisors also verify employees' health status at the start of each workday. Any abnormalities result in immediate reassignment to prevent contact with food. In addition, food service and kitchen staff undergo regular health examinations related to workplace environmental factors such as high temperature and noise, safeguarding overall workplace safety and employee well-being.

■ Supplier Personnel Hygiene Requirements

To reduce the risk posed by external personnel in food preparation areas, the Group has established the following hygiene management guidelines:

- Health Screening: Body temperature must be measured and a health questionnaire completed before entry. Individuals with fever, cough, skin diseases, or other symptoms are prohibited from entering.
- Attire Requirements: Personnel must wear hairnets, masks, shoe covers, and protective clothing, and pass on-site inspection.
- Hand Hygiene: Hands must be washed and disinfected at designated areas before entering operational zones.
- Access Control: Entry is allowed only via designated routes and times; extended access requires prior approval.
- Transportation Requirements: Containers and packaging must be clean, sealed, odor-free, and are subject to random inspection.
- Violation Handling: Non-compliance will result in measures such as reminders, corrective actions within a specified period, or termination of cooperation, depending on the severity.



■ Food Safety Incident Response Mechanism

- To mitigate the impact of food safety incidents on customer health and brand reputation, the Group has established clear standard operating procedures. Once on-site personnel detect an anomaly or receive a relevant customer report, they must immediately notify management or the Food Safety and Hygiene Supervisor. Designated personnel will then verify the incident and assess its authenticity and severity.
- Depending on the situation, the response mechanism is promptly activated to ensure the incident is effectively controlled at the earliest stage, minimizing potential impact on customer health and safeguarding hotel operations and reputation.
- After the incident, a review meeting is convened to comprehensively examine the root causes and any deficiencies identified during the response. Management procedures are subsequently revised, including optimizing food safety operational processes, enhancing employee training, and improving overall staff risk awareness and response capabilities, to prevent recurrence of similar incidents.

2.4.3 Independent Testing Laboratory

To strengthen food safety management, the Group established its in-house testing laboratory in 2016 and developed an internal control system that comprehensively reinforces food safety standards across all stages—from raw material to finished dish delivery. The laboratory's operations comply with the Food Safety and Hygiene Management Act and the Principles of Good Hygiene Practice (GHP), and reference corporate guidelines for food industry laboratory setup. We have thus established the "In-house Testing Laboratory Standard Operating Procedures" to ensure that all operations are conducted legally, compliantly, and to high standards.

In addition to internal testing, Silks Hotel Group collaborates with certified third-party laboratories for external testing on specific items, providing dual assurance of food safety.

Quality Control and Hygiene Standards

The self-conducted testing focuses on microbiological indicators, specifically total bacterial count and coliform group, which not only comply with national standards but also serve as key metrics for assessing the hygiene conditions in our food processing procedures. By monitoring these indicators, we can promptly identify potential hygiene issues during the manufacturing process and take immediate corrective actions.



Laboratory Operations and Monitoring Mechanism

The laboratory's scope of work covers raw material sampling, microbiological testing, data analysis, and record management:

- **Testing Procedures:** Every testing step—including sample handling, testing frequency, data verification, and result entry—is carried out in accordance with SOPs.
- **Record Retention:** All data must remain unaltered and be retained for a minimum of five years to facilitate future traceability and audits.
- **Personnel Allocation:** A dedicated team is responsible for conducting tests and managing data to ensure operational accuracy and traceability.

2024 Achievements and Practices:

Regent Taipei conducted 80 microbiological self-inspections, among which 4 tests for pesticide residues and 1 test for sulfur dioxide were non-compliant and immediately returned; the remaining 75 tests met the standards. Silks Place Tainan conducted 6 microbiological self-inspections, all meeting the standards, and 732 oil test strip inspections, with the results used as a reference to determine whether oil replacement was necessary.

Microbiological self-inspection of Regent Taipei	Pesticide residue non-compliance at Regent Taipei	Sulfur dioxide test non-compliance at Regent Taipei	Microbiological self-inspection at Regent Taipei meets the standards	Microbiological self-inspection of Regent Taipei	Pesticide residue non-compliance at Regent Taipei	Sulfur dioxide test non-compliance at Regent Taipei	Microbiological self-inspection at Regent Taipei meets the standards
80 times	4 times	1 time	75 times	80 times	4 times	1 time	75 times
Microbiological self-inspection at Silks Place Tainan	Oil quality test strips at Silks Place Tainan	In 2024, the total related expenses of Regent Taipei's laboratory amounted to NT\$370,785, including NT\$37,217 for testing materials and instrument calibration, NT\$90,390 for personnel salaries, and NT\$243,178 for external testing fees. These expenses accounted for 0.015% of net food and beverage revenue.		Microbiological self-inspection at Silks Place Tainan	Oil quality test strips at Silks Place Tainan	Laboratory-related expenses in 2024 NTD	Laboratory expenses as a percentage of net food and beverage revenue
6 times	732 times			6 times	732 times	370,785	0.015 %

Regent Taipei				Just Sleep			
In 2024, Regent Taipei, which accounts for over half of the food and beverage revenue, conducted a total of 12 internal audits on food safety and hygiene, and 40 inspections on site cleaning and sanitation. The audits and inspections covered supplier evaluations, food preparation, food storage, hygiene and work environment, as well as cleaning and disinfection. The food and beverage revenue affected by these 12 internal audits on food safety and hygiene accounted for 93.44% of Regent Taipei's net food and beverage revenue and 46.98% of Regent Taipei's net operating revenue. The banquet operations of Regent Taipei, which hold HACCP food safety certification, accounted for 23.63% of Regent Taipei's net food and beverage revenue.				Just Sleep, with a focus on room revenue, also held three external hygiene training sessions for chefs, totaling 11 participants and 120 hours, comprehensively enhancing employees' food safety awareness and professional capabilities.			
Internal food safety and hygiene audit	Revenue affected by the audit as a percentage of Regent Taipei's net food and beverage revenue	Revenue affected by the audit as a percentage of Regent Taipei's net operating revenue	Banquet revenue as a percentage of Regent Taipei's F&B net revenue	External hygiene training for chefs	External hygiene training for chefs	External hygiene training for chefs	External hygiene training for chefs
12 times	93.44 %	46.98 %	23.63 %	11 participants	11 participants	120 hours	120 hours

Regent Taipei

In 2024, Regent Taipei conducted a total of 406.75 hours of internal training on food hygiene and safety. Chef hygiene training reached 552 participants, totaling 1,065 hours, and HACCP team members completed 40 hours of external professional training.

Internal Food Safety and Hygiene Training

406.75 hours

Chef Hygiene Training

552 Person times

Chef hygiene training

1,065 hours

HACCP external professional training

40 hours

Regent Taipei

In 2024, Regent Taipei conducted a total of 406.75 hours of internal training on food hygiene and safety. Chef hygiene training reached 552 participants, totaling 1,065 hours, and HACCP team members completed 40 hours of external professional training.

Internal Food Safety and Hygiene Training

406.75 hours

Chef Hygiene Training

552 Person times

Chef hygiene training

1,065 hours

HACCP external professional training

40 hours

Silks Place Tainan

Silks Place Tainan carried out 26 hours of internal food hygiene training and 16 hours of chef internal and external hygiene training.

Internal food hygiene training

26 hours

Internal and external hygiene training for chefs

16 hours

Silks Place Tainan

Silks Place Tainan carried out 26 hours of internal food hygiene training and 16 hours of chef internal and external hygiene training.

Internal food hygiene training

26 hours

Internal and external hygiene training for chefs

16 hours

Silks Place Tainan

Silks Place Tainan has not obtained any food safety management system certification, it implements food safety management in accordance with the Group's "Food Safety and Hygiene Environment Standard Operating Procedures." In 2024, Silks Place Tainan conducted a total of 24 internal audits on food safety and hygiene and 36 inspections on site cleaning and sanitation across all its restaurants.

Food Safety and Sanitation Internal Audit

24 times

Facility Cleaning, Maintenance, and Sanitation Inspection

36 times

2.5 Sustainable Supply Chain

Performance Results

- In 2024, Regent Taipei and Silks Place Tainan completed 174 document-based audits and 21 on-site audits, with no non-compliant suppliers identified.
- The proportion of tea and coffee purchased with international certifications accounted for 23.99% and 56.69%, respectively.
- 100% of purchased tissues and hand towels carry Forest Stewardship Council (FSC) international certification.
- 100% of Double A copy paper purchased carries Forest Stewardship Council (FSC) international certification.

Future Goals

Short-term Goals	Medium to Long-term Goals
• Ensure stable supply of all items, encourage suppliers to provide low-carbon products, and expand the use of seasonal local ingredients.	

Future Goals

Short-term Goals	Medium to Long-term Goals
• By the end of 2026, all restaurants at Silks Taipei will fully use cage-free eggs, increase the proportion of purchases from animal-friendly farms, and expand the share of low-carbon products, realizing a responsible supply chain.	

Impact	Extreme weather and geopolitical risks may cause logistics disruptions and raw material shortages, threatening supply chain stability and food safety. The Group actively addresses these global challenges by strengthening supply chain management, promoting sustainable procurement, and implementing risk early-warning mechanisms, thereby advancing ESG objectives across environmental, social, and governance dimensions while maintaining robust operational strategies.
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Policy Commitment	Silks Hotels Group is committed to promoting a green supply chain by integrating sustainable technologies and partnering with stakeholders to implement fair trade, human rights protection, and environmental conservation. Following HACCP and ISO standards, the Group adopts responsible procurement principles and green operational practices, leading the hospitality industry toward a more equitable and sustainable development model.
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Actions Taken	The Group has established a systematic supplier management and evaluation system, implementing food traceability, risk classification, and independent testing. The Regent Taipei's in-house testing laboratory serves as the final safeguard for food safety, ensuring proper management and auditing of raw material suppliers. In addition to document and on-site audits, supplier evaluations incorporate environmental and ESG criteria, progressively increasing the proportion of cage-free eggs and local sourcing to build a transparent and responsible supply network.
Evaluation Mechanisms	• Through supplier evaluation forms, audit systems, and KPI tracking, the Group monitors quality, delivery reliability, and regulatory compliance, incorporating sustainability indicators. • The annual proportion of internationally certified products purchased is tracked as a basis for policy refinement and performance feedback, ensuring a compliant, safe, and responsible supply chain.
Stakeholder Engagement	The Group regularly communicates and collaborates with suppliers through meetings, training sessions, and performance feedback. Anonymous reporting channels are established to uphold integrity and protect labor rights. Together with suppliers, the Group promotes animal welfare, social inclusion, and industry transformation, co-creating a sustainable value chain.

The Group regularly communicates and collaborates with suppliers, holding forums, training, and performance feedback sessions. An anonymous whistleblowing channel is established to uphold integrity principles and labor rights protection. Together with suppliers, the Group promotes animal welfare, social inclusion, and industry transformation to create a sustainable value chain.

Management Policy

To ensure food safety and supply chain transparency, the Group has established a systematic supplier evaluation and procurement management mechanism, strengthening risk control and accountability for raw material suppliers. The policy follows food safety regulations and international standards, such as HACCP and ISO 22000, and incorporates ESG sustainability principles through cross-departmental collaboration to maintain high-quality and compliant food supplies.

The Group is committed to safeguarding food safety and product quality through rigorous supply chain management, while promoting energy conservation, low-carbon practices, and environmentally friendly procurement, fully implementing ESG across environmental, social, and governance dimensions.



■ Supply Chain Management and Sustainability Practices

The Group's sustainability strategies cover every stage from source to table, including strict supplier evaluation mechanisms, promoting ingredient traceability, adopting local procurement and fair trade principles, reducing operational environmental impacts, and enhancing animal welfare. These efforts closely align with the United Nations Sustainable Development Goals (SDGs), particularly Goal 12 "Responsible Consumption and Production," Goal 15 "Life on Land," and Goal 17 "Partnerships for the Goals."

The Group also commits that by the end of 2026, all restaurants under the Group will use exclusively cage-free eggs, further demonstrating our dedication to animal welfare and sustainable agriculture. This decision not only raises the ethical standards of our food sources but also reflects our responsible approach to environmental and social stewardship.

■ Building a Safe and Transparent Food Supply Chain

The Group upholds a strong commitment to food safety and sustainable governance, establishing a comprehensive supplier management system to promote transparency and resilience across the entire food supply chain through institutionalized and risk-oriented approaches. We enforce stringent controls from the very source, covering all stages—supplier selection, evaluation, contract signing, raw material inspection, and monitoring audits—to ensure that all partners comply with regulatory requirements and corporate social responsibility standards. All raw material suppliers must sign the "Supplier Delivery Guidelines", which include provisions on supply specifications, integrity in business conduct, human rights protection, and corporate social responsibility. Only suppliers with valid business registration, a registered food-industry business number, and certifications such as TQF, CAS, TAP, HACCP, or ISO may be included in our long-term cooperation list. For new suppliers, we also require a compliant product inspection report and conduct annual qualification reviews to ensure compliance and food safety.

In terms of supplier governance, we conduct periodic and ad-hoc evaluations based on the "Process and Quality Control Standard Operating Procedures" and the "Supplier Evaluation Record Form", carried out jointly by the Procurement Department, Food Safety Department, and Food & Beverage Department. The evaluation criteria include not only product quality, supply capability, and regulatory compliance, but also ESG indicators such as environmental sustainability and human rights protection, guiding suppliers and the Group to advance toward shared sustainability goals. Suppliers that fail evaluations twice consecutively, or are involved in major violations, will have their cooperation terminated immediately and be removed from the approved supplier list.

In addition, our in-house testing laboratory serves as the final safeguard for food safety governance. Through regular sampling inspections and ingredient traceability, we strengthen risk early-warning and incident traceability mechanisms, fundamentally enhancing the safety and credibility of the entire supply chain.

The Group aspires to harness a robust supplier governance mechanism to drive industry-wide influence, encourage stakeholders to prioritize compliance and corporate responsibility, and collaborate to build a sustainable, transparent, and resilient food supply chain—thus laying a solid foundation for sustainable development in the hospitality industry.

■ Supplier Evaluation and Procurement Mechanism

The Group is committed to establishing a transparent and risk-controlled supply chain management system. In accordance with internal food safety management standards, including the Process and Quality Control Standard Operating Procedures and the Supplier Evaluation Record Form, we implement rigorous supplier audits and evaluations, jointly managed by the Purchasing, Food Safety, and F&B departments. Beyond ensuring food safety and quality, the evaluation framework incorporates ESG indicators such as corporate sustainability and human rights, fully implementing responsible procurement practices.

The supplier evaluation process consists of two stages: document review and on-site assessment. The document review covers supplier basic information and the validity and compliance of food safety system certifications (e.g., TQF, HACCP, ISO). The on-site assessment evaluates five key dimensions, comprehensively monitoring suppliers' food hygiene, quality management, and regulatory compliance.

Evaluation Process and Implementation Effectiveness

Evaluation Aspects	Weight (%)	Key Assessment Points
Document Review	25%	Includes assessment of company documents, certification documents, inspection reports, and origin certificates.
On-site Hygiene Audit	35%	Covers operational procedures, personnel hygiene management, storage and transport temperature, and overall environmental conditions.
Supply Stability	20%	Assesses on-time delivery rates, return rates, and item consistency.
Service Quality	16%	Evaluates complaint handling efficiency and cooperation level.
Sustainability Indicators	4%	Considers ESG practices, human rights policies, and carbon reduction initiatives.

Excellent suppliers (score 80 or above)

→ Listed as stable long-term partners

General suppliers (score 60–79)

→ Included in monitoring and improvement lists

Non-compliant suppliers (score below 60)

→ Required to implement corrective actions within a set deadline or face termination of cooperation



■ Supplier Evaluation and Audit KPIs (Regent Taipei & Silks Place Tainan)

Overview

To ensure responsible sourcing and uphold food safety, Regent Taipei and Silks Hotel Tainan conduct annual supplier evaluations, document reviews, inspections. The following table presents key quantitative indicators and performance results for supplier management in the reporting year.

Table: Summary of Supplier Evaluation Results and KPIs

Indicator	Regent Taipei	Silks Place Tainan	Performance (%)
Number of Key Suppliers Included in Annual Evaluation	72 suppliers	102 suppliers	
Document Review	72 suppliers	102 suppliers	Regent 100% / Silks: 100%
On-site Inspection	12 suppliers	9 suppliers	Silks: 16.67% / Silks: 8.8%
Purchase Amount from On-site Audited Suppliers as a Percentage of Total Food & Beverage Transaction Value (including fresh produce)	NT\$9,486,255 (10.51%)	NT\$59,334,339 (33.88%)	Regent: 10.51% / Silks: 33.88%
Number of Suppliers with Food Safety & Hygiene Management System Certification (HACCP, ISO 22000, FSSC, TQF, CAS, etc.)	47 suppliers	45 suppliers	–
Percentage of Suppliers Rated as “Excellent” in Evaluations	–	–	100%
Number of Suppliers Removed Due to Non-compliance	–	–	0%

In 2024, Taipei Silks and Tainan Silks completed 174 document reviews and 21 on-site audits, with no suppliers failing evaluations.

Both Taipei Silks and Tainan Silks maintain full compliance in supplier evaluations, ensuring a transparent and rigorous process aligned with ESG standards and corporate sustainability goals.

To continuously strengthen supply chain governance and promote sustainable development, the Group will focus on the following key actions:

- **Raising ESG Qualification Requirements for Suppliers:** Incorporating sustainability criteria such as carbon footprint management, environmental protection, and human rights protection to enhance suppliers' awareness and execution of environmental and social responsibilities.
- **Promoting Supplier Education and Guidance Mechanisms:** Regularly conducting sustainability and compliance training sessions to strengthen suppliers' understanding and implementation of food safety, business ethics, and ESG issues.
- **Establishing Reporting and Complaint Channels:** Providing an anonymous reporting hotline and email address so that suppliers or stakeholders can promptly report any violations of ethics, integrity, or regulations, thereby upholding principles of fairness and integrity.
- **Unscheduled Audits and Food Safety Incident Investigations:** In the event of food anomalies or consumer complaints, immediately initiating emergency audits and ingredient sealing procedures, as well as carrying out urgent handling and follow-up investigations of the suppliers involved.
- **Performance Feedback and Relationship Building:** Through annual supplier forums and performance feedback reports, helping suppliers understand their cooperation performance and areas for improvement, while jointly enhancing quality stability and risk prevention capabilities.

Through institutionalized audit and management processes, the Group ensures that suppliers consistently meet the high standards of food safety and sustainable procurement, fostering partnerships for mutual growth and further enhancing overall dining quality and customer trust.

■ **Environment: Green and Sustainable Supply Chain Risk Management**

Silks Hotel Group is committed to advancing green transformation through the establishment of a sustainable procurement policy to systematically reduce environmental risks within the supply chain. From partner selection to product sourcing, we prioritize energy conservation, carbon reduction, and resource sustainability. We encourage suppliers to adopt environmental innovations and provide low-carbon products, working together to implement an environmentally friendly supply chain management model.

In procurement practices, we have established clear priorities to source products with eco-certifications and energy-saving benefits, including:

- **Cleaning and Laundry Supplies:** Procuring cleaning agents and laundry detergents certified with the Environmental Protection Label to reduce water resource pollution.
- **Energy-Saving Equipment:** Utilizing LED lighting, energy-efficient air conditioning systems, water-saving toilets, and pressure-reducing valves to effectively lower energy and water consumption.
- **Eco-Friendly Building Materials:** Selecting reusable or recycled materials for construction, carpeting, and other applications to reduce waste.
- **Transportation Management:** Encouraging employees to use public transportation or shared mobility solutions for commuting and business trips to reduce carbon emissions.
- **Local Ingredient Procurement:** Supporting local agriculture while effectively reducing the carbon footprint from food transportation and minimizing kitchen waste.
- **Plastic Reduction Initiatives:** Using reusable tableware and eco-friendly packaging; all guest room bath amenities are provided in refillable pump bottles; prioritizing the purchase of organic and low-additive foods.

To ensure effective implementation, the Group has adopted multiple Key Performance Indicators (KPIs) for tracking and evaluation, such as:

■ Performance Results

- ✓ In 2024, Taipei Silks and Tainan Silks completed 174 document reviews and 21 on-site audits, with no suppliers failing evaluations.
 - ✓ The procurement ratios of internationally certified tea and coffee were 23.99% and 56.69%, respectively.
 - ✓ Procurement of hygiene and paper towel products with Forest Stewardship Council (FSC) certification reached 100%.
 - ✓ Procurement of Double A copy paper with FSC certification reached 100%.
-
- **FSC-Certified Paper Products:** 100% of toilet paper and hand towels purchased are certified by the Forest Stewardship Council (FSC).
 - **FSC-Certified Copy Paper:** 100% of Double A copy paper purchased is FSC certified.
 - **Eco-Label Office Equipment:** 100% of photocopiers purchased have energy-saving and eco-label certifications.
 - **Procurement of Internationally Certified Products:**
 - In 2024, the purchase amount of tea bags and coffee/capsules with at least one international certification or label accounted for
-
- ✓ The procurement ratios of internationally certified tea and coffee were 23.99% and 56.69%, respectively.

- ✓ Procurement of hygiene and paper towel products with Forest Stewardship Council (FSC) certification reached 100%.
- ✓ Procurement of Double A copy paper with FSC certification reached 100%.

■ Social: Sustainable and Ethical Procurement

The Group places strong emphasis on corporate social responsibility, embedding human rights protection and social value into supply chain management. We uphold strict responsibility standards for our upstream partners, driving positive industry transformation and enhancing brand reputation.

Since April 2024, several of our restaurants have taken the lead in switching to cage-free eggs. For example, in Taipei Silks Hotel, cage-free eggs accounted for 16.05% of total egg procurement expenditure in 2024. This initiative demonstrates our commitment to supporting animal welfare and environmental sustainability through concrete actions. In collaboration with the Taiwan Society for the Prevention of Cruelty to Animals (TSPCA) and Hualien Liming Developmental Center, we jointly promote livestock industry transformation and social care. These efforts not only improve the living conditions of laying hens but also support local disadvantaged communities in participating in agricultural production. By doing so, we fulfill our commitment to social responsibility, create positive impacts for both environmental protection and social well-being, and work hand-in-hand with suppliers towards shared prosperity and sustainability.

2.6 Information Security and Privacy Protection



Impact Information security and personal data protection are among the core risks in the hospitality industry. Any data breach or system outage could severely affect brand reputation and customer trust, and may result in substantial fines and legal liabilities. Silks Hotel Group establishes cybersecurity policies and protective measures to maintain operational stability and safeguard customer data.

Policy Commitment In accordance with the "Cybersecurity Management Act" and the Financial Supervisory Commission's cybersecurity guidelines, the Group establishes information security policies and management systems, which are regularly reviewed and reported to the Board of Directors. The Group is committed to enhancing cybersecurity protection, safeguarding customer data privacy, and ensuring operational continuity, in alignment with SDGs Goals 9 and 16.

Actions Taken

- **Continuous monitoring and auditing**
Conduct annual system vulnerability scans and penetration tests, and establish multi-layered defense mechanisms and backup plans.
- **Employee training**
Carry out cybersecurity audits, employee training, and security incident drills to strengthen response capabilities.
- **Emergency response plan**
All data interactions follow legal and regulatory compliance principles, and outsourced partners sign confidentiality and cybersecurity agreements.

Evaluation Mechanisms

Establish a cybersecurity management framework and audit procedures in accordance with regulations. The Chief Information Security Officer, IT Department, and Audit Office jointly implement policy enforcement and internal audits, and regularly report cybersecurity performance to the Board of Directors to ensure policy compliance and timely risk adjustments.

Stakeholder Engagement

The Group addresses customer expectations for privacy through diversified communication channels and data protection management systems. By leveraging big data analytics to optimize service quality and participating in cybersecurity information-sharing organizations, we strengthen stakeholder trust and data security, jointly promoting sustainable information governance.

Silks Hotel Group is committed to establishing a secure and stable information environment, strengthening cybersecurity protection and management mechanisms to safeguard corporate assets, customer data, and business continuity. Information security strategies and practices are formulated in accordance with the “Cybersecurity Management Act and its sub-regulations” and the FSC’s “Guidelines for Cybersecurity Management of Listed and OTC Companies,” with regular reviews and reports submitted to the Board of Directors.

■ Link to Sustainable Development Goals (SDGs)

The cybersecurity governance practices of Silks Hotel Group correspond to the following United Nations Sustainable Development Goals: Goal 9 – Build resilient infrastructure, promote innovation and industrialization; and Goal 16 – Promote peaceful, just, and responsible institutions, strengthening compliance and data governance transparency.

These goals encourage us to establish more transparent and accountable governance structures, enhance regulatory compliance and fairness, and protect data and privacy through innovation and strengthened infrastructure.

■ Information Security Policies and Regulations

The Information Security Policy was most recently updated on March 2, 2023, approved by the Group Chief Financial Officer, covering aspects such as information system construction, user management, backup and contingency, equipment and network protection.

- Establish information system classification and protection standards.
- Prevent hacker intrusions, malware, and internal misuse.
- Prevent leakage of confidential information.
- Implement appropriate backup mechanisms and contingency plans.
- Ensure business continuity and disaster recovery capability.
- Strengthen information security management of outsourced services and supply chain monitoring.
- Enhance overall employee information security awareness and professional competence.

ICT Security Governance Structure



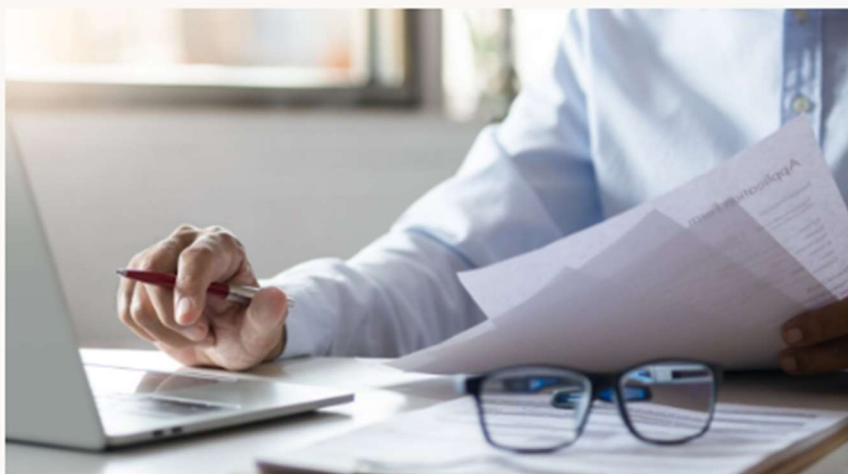
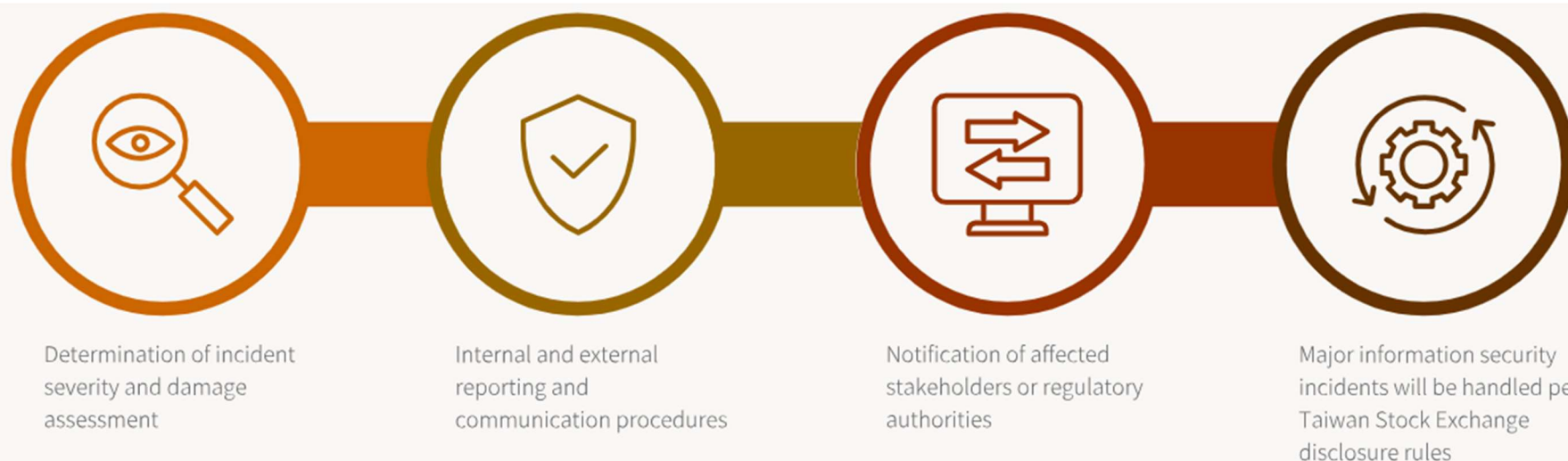
ICT Security Governance Structure

- **Information Office:** Responsible for the formulation and implementation of information security policies, risk management, technical controls, system operation and maintenance, and training.
- **Chief Information Security Officer (CISO) and Dedicated Personnel:** One CISO and one dedicated information security officer are assigned to manage information security affairs.
- **Audit Office:** Acts as the supervisory unit for information security, conducts internal audits, and oversees the rectification and follow-up of deficiencies.
- **Board of Directors:** Regularly receives ICT security reports to ensure alignment with strategic direction and governance requirements.

■ Information Security Protection and Control Measures

Conduct annual vulnerability scanning and penetration testing on core systems, and engage third-party professional institutions for assessments; Implement a multi-layered defense architecture, including antivirus software, APT protection, firewalls, intrusion detection systems, and email filtering; Establish off-site backups, daily backups, and annual disaster recovery drills; Apply multi-factor authentication, account and password policies, and regular permission audits for critical systems; Place computers and servers in dedicated data centers equipped with uninterruptible power supply, voltage stabilization, and automated monitoring systems; Implement network entry control and internet usage management devices to prevent unauthorized connections and bandwidth abuse.

Silks Hotel Group has established a comprehensive information security incident response and reporting mechanism, including:



Personal Data Protection

Silks Hotel Group has established an Information Management Team to promote personal data management policies and related training. In accordance with the Personal Data Protection Act, the Group implements data encryption, masking, access control, and physical isolation, and publishes a transparent privacy statement to ensure customers' rights to access, delete, or correct their personal data at any time. All data analysis and customer interactions comply with legal and regulatory requirements, and clear information security and confidentiality clauses are included in agreements with outsourced vendors, ensuring proper handling of data upon termination of cooperation.

Information Security Communication and Awareness

Silks Hotel Group provides monthly information security training for new employees. General staff receive at least one hour of basic information security education annually, while information security personnel participate in no less than eight hours of advanced professional training each year. Additionally, the Group periodically disseminates information security cases and actively participates in domestic information security intelligence-sharing organizations to stay informed of the latest threat trends and response strategies.

In 2024, Silks Hotel Group conducted internal training on major information processing for a total of 366 participants, accumulating 61 training hours.



2024 Performance and Implementation:

Silks Hotel Group conducted a total of 366 instances of training for internal personnel on handling critical information, amounting to 61 total training hours.

As of the publication date of this report, Silks Hotel Group has not experienced any major cybersecurity incidents resulting in losses, nor has it received any complaints regarding customer privacy violations or loss of customer data.

3. Social Responsibility

Guided by our mission to *“Empathize with others and bring the world’s best to Taiwan while sharing Taiwan’s best with the world,”* the Regent Hotels Group actively supports and enhances the communities we serve through philanthropic initiatives and environmental stewardship—aiming to achieve sustainable operations and long-term value creation.

The Group is dedicated to building a low-risk, injury-free workplace while upholding gender equality and providing inclusive employment opportunities without discrimination. We emphasize talent development and career advancement programs that preserve our corporate culture and core values, promoting empathy and excellence in everything we do. Through community engagement and sustainable practices, we strive to foster inclusive, safe, resilient, and sustainable cities and communities in line with the United Nations Sustainable Development Goals (SDGs).

■ Sustainability Strategy Framework

Occupational Safety and Health :

To achieve our “Zero Occupational Accidents” vision, the Group has established a cross-departmental Occupational Safety and Health Committee in accordance with the Occupational Safety and Health Act to oversee all safety management affairs. Regular fire evacuation, first-aid training, and emergency drills are conducted to enhance employee preparedness and safety awareness. Workplace environmental monitoring and health examinations are implemented, with special attention given to the needs of mothers and senior employees. Flexible work arrangements and job adjustments are provided to create a healthy, risk-controlled, and inclusive working environment for all.

Employee Care and Talent Retention :

The Group promotes a transparent and fair recruitment system and strengthens workplace inclusiveness through gender equality training, welfare policies, and human rights risk assessments. Special programs are designed to support middle-aged and disadvantaged employees through job redesign and competency development, fostering a caring and equitable workplace environment.

Talent Development and Career Growth :

The Group advocates for diverse learning and development strategies, including the iGPS Career Navigation Program, digital learning platforms, cross-property training rotations, and internationally certified programs. AI-assisted learning and British-style butler training systems are integrated to enhance employees' practical capabilities, professional resilience, and service excellence, strengthening overall professional and operational quality.

Community Engagement and Philanthropy :

Community engagement and philanthropy are central to the Group's sustainability agenda. We are committed to local co-creation and cultural participation initiatives aligned with the UN SDGs, showcasing our Corporate Social Responsibility (CSR) in action. Through charitable activities and environmental initiatives, we support and uplift the communities we serve—building inclusive, safe, resilient, and sustainable societies for all.

3.1 Occupational Safety and Health

Performance Results	Future Goals								
• The Group recorded a total of 36 occupational injury cases, a 38% decrease compared to the previous year, with 429 total lost days and an occupational injury rate of 20.606 per 1,000 employees. • The Group's hotels conducted 24 AED and CPR training sessions, with a total of 1,057 participants. • The Group's hotels held 79 fire drills and safety education sessions, involving 4,552 participants. • Workplace environment monitoring results all complied with regulations, and case-specific adjustments were implemented for employees with special needs.	<table border="1"> <thead> <tr> <th data-bbox="1070 443 1276 528">Short-term Goals</th><th data-bbox="1276 443 1482 528">Medium to Long-term Goals</th></tr> </thead> <tbody> <tr> <td data-bbox="1070 528 1276 869"> • Enhance employees' safety awareness and increase training frequency </td><td data-bbox="1276 528 2051 869"> <table border="1"> <thead> <tr> <th data-bbox="1585 357 1789 442">Short-term Goals</th><th data-bbox="1789 357 1995 442">Medium to Long-term Goals</th></tr> </thead> <tbody> <tr> <td data-bbox="1585 486 1789 869"></td><td data-bbox="1789 486 2051 869"> • Establish a more comprehensive occupational safety management system, reduce the incidence of workplace injuries, and improve employee health indicators. • Through systematic implementation and continuous improvement, achieve sustainable, safe, and healthy workplace objectives. • Develop a risk-oriented health care mechanism to enhance support for middle-aged, senior, and maternal employees. </td></tr> </tbody> </table> </td></tr> </tbody> </table>	Short-term Goals	Medium to Long-term Goals	• Enhance employees' safety awareness and increase training frequency	<table border="1"> <thead> <tr> <th data-bbox="1585 357 1789 442">Short-term Goals</th><th data-bbox="1789 357 1995 442">Medium to Long-term Goals</th></tr> </thead> <tbody> <tr> <td data-bbox="1585 486 1789 869"></td><td data-bbox="1789 486 2051 869"> • Establish a more comprehensive occupational safety management system, reduce the incidence of workplace injuries, and improve employee health indicators. • Through systematic implementation and continuous improvement, achieve sustainable, safe, and healthy workplace objectives. • Develop a risk-oriented health care mechanism to enhance support for middle-aged, senior, and maternal employees. </td></tr> </tbody> </table>	Short-term Goals	Medium to Long-term Goals		• Establish a more comprehensive occupational safety management system, reduce the incidence of workplace injuries, and improve employee health indicators. • Through systematic implementation and continuous improvement, achieve sustainable, safe, and healthy workplace objectives. • Develop a risk-oriented health care mechanism to enhance support for middle-aged, senior, and maternal employees.
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Impact

Silks Hotel Group firmly believes that employees' physical and mental health are the cornerstone of high-quality service and sustainable operations. The safety and health of employees, suppliers, and contractors are considered significant sustainability issues. The Group is committed to creating a safe working environment, enhancing operational efficiency and guest satisfaction, and upholding the philosophy of "people-oriented and life-respecting."

Policy Commitment

To realize the vision of "Zero Occupational Accidents," the Group has established an Occupational Safety and Health (OSH) management system in accordance with the Occupational Safety and Health Act. A dedicated committee, chaired by the General Manager, is responsible for overseeing system operations and ensuring regulatory compliance. Safety culture has been fully integrated into all hotel operations and extended throughout the supply chain, working with partners to strengthen risk prevention and accident mitigation capabilities. This demonstrates the Group's commitment to achieving the United Nations SDGs on health and well-being and decent work.

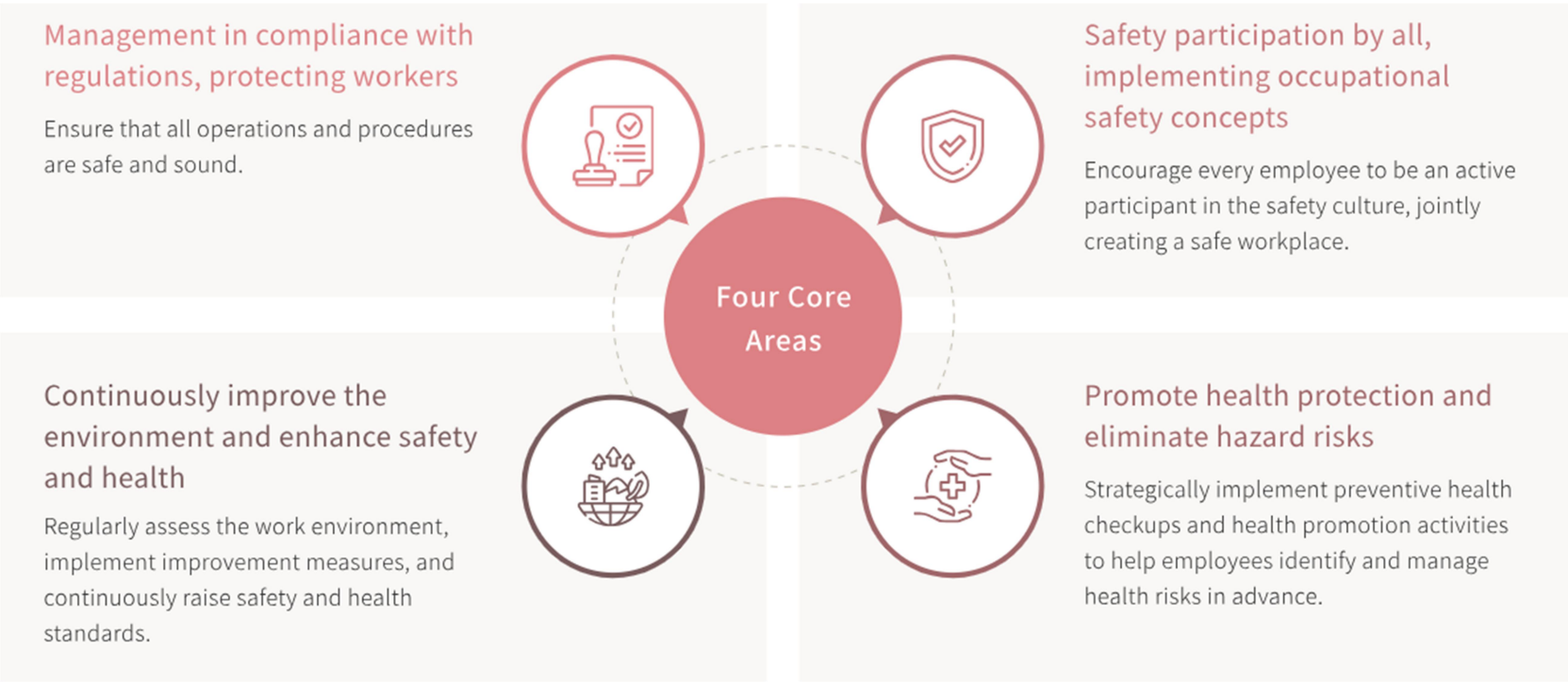
Actions Taken	• Education, Training, and Emergency Response Management A cross-departmental OSH committee has been established to coordinate safety management, conducting fire evacuation, first aid, and other training and drills to enhance employees' emergency response capabilities and disaster awareness. • Occupational Environment and Employee Health Workplace environment monitoring and health checks are implemented, with attention to the needs of maternal and middle- to senior-aged employees. Flexible working hours and job adjustments are provided to create a healthy workplace where all employees participate and risks are controllable.
Evaluation Mechanisms	• Management reviews are conducted annually to assess performance and the achievement of objectives. • The Sustainability Committee continuously monitors the implementation and progress toward these goals.
Stakeholder Engagement	The Group holds regular meetings to communicate occupational safety and health (OSH) issues with stakeholders. Key information is disclosed in real time through notice boards and the Silks University App, and results are included in the Sustainability Report, demonstrating the Group's commitment to and practice of transparent communication, risk disclosure, and responsible governance.

The Group, in accordance with the Occupational Safety and Health Act, has established the "Occupational Safety and Health Committee," chaired by the Chief Operating Officer. Members include department heads, dedicated safety and health personnel, and labor representatives. The committee is responsible for reviewing, promoting, and supervising the formulation and implementation of occupational safety and health policies. This system not only complies with regulatory requirements but also demonstrates the company's core values of "people-oriented and respect for life."

We also collaborate with suppliers and contractors to implement safety standards, strengthening overall risk control and accident prevention mechanisms to ensure workplace safety and health, in alignment with the United Nations Sustainable Development Goals (SDGs) 3: Ensure healthy lives and promote well-being, and 8: Promote decent work and economic growth.

3.1.1 Occupational Safety and Health

Silks Hotel Group has established a management mechanism in accordance with the ISO 45001 Occupational Health and Safety Management System standard, tailored to operational needs and continuously adjusted in line with legal requirements to enable autonomous management and continuous improvement. The policy covers the following four core areas:



3.1.2 Occupational Accident Prevention and Health Protection Management

To reduce occupational accident risks and enhance workplace safety, the group implements occupational accident prevention mechanisms and health promotion measures. Through institutionalized training and on-site management, employees’ risk awareness and response capabilities are strengthened.

- Regularly conduct occupational safety training and emergency response drills to enhance employees’ self-protection awareness.
- Perform risk analysis and preventive improvement measures based on past incidents, such as improving traffic flow planning and environmental facilities, and strengthening traffic safety education.
- Promote health protection action plans including overwork prevention, maternal protection, post-accident return-to-work assistance, and on-site medical services to promote workers’ physical and mental health.

Additionally, the group actively cooperates with the Ministry of Labor’ s “Middle-aged and Senior Job Redesign Subsidy Program,” optimizing workflows and introducing assistive devices to help middle-aged and senior employees extend their careers and reduce occupational injuries caused by physical strain. In medical emergencies, in accordance with the “Regulations on Necessary Emergency Rescue Equipment in Public Places,” the company installs Automated External Defibrillators (AEDs) and regularly holds AED operation and CPR (cardiopulmonary resuscitation) training courses.

2024 AED and CPR Training Sessions at Each Hotel				
	Regent Taipei	Just Sleep	Silks Place Tainan	Silks Place Taroko
Total Number of Courses	18	2	2	2
Total Participants	949	40	27	41
Total Training Hours	1,878	40	54	82

■ Emergency Response Management

The group has established an “Emergency Response Management Procedure” to identify and respond to various potential emergencies and incidents. This procedure applies to all employees, related activities, and workplaces. A series of educational training programs and disaster drills have been planned and implemented. The training includes not only theoretical learning but also practical exercises and simulations covering fire evacuation, emergency evacuation, and basic first aid skills. After training, issues discovered during the process (such as insufficient planning, equipment defects, or incomplete response measures) are comprehensively reviewed, and the emergency plans are continuously revised and optimized to ensure their effectiveness and practicality.

The core purpose of all drills is to familiarize employees with emergency response procedures and safety operation standards. Each hotel has established an emergency incident response team led personally by the hotel general manager, who swiftly responds during the early stages of an incident, prioritizing personnel safety and effectively reducing potential losses caused by fires or other disasters.

The hotels conduct dynamic drills for evacuation, firefighting, reporting, and sheltering twice a year, with training lasting no less than four hours, and invite local fire departments for on-site guidance. Additionally, quarterly disaster evacuation drills are held to ensure every employee possesses disaster escape and response capabilities.

3.1.3 Occupational Environment and Employee Health

The group is committed to creating a safe, healthy, and human-rights-respecting work environment through institutionalized management and proactive preventive measures. Regarding workplace unlawful acts and occupational hazard risks, a comprehensive prevention and response mechanism has been established, with continuous efforts to strengthen management effectiveness and transparency.



Environmental Monitoring and Safety Practices

The Group conducts regular workplace environment monitoring in accordance with the Regulations for the Implementation of Occupational Safety and Health Workplace Monitoring, covering indicators such as high temperature, noise, and carbon dioxide levels, while strengthening safety and health awareness campaigns. Abnormal values are promptly reviewed and corrected. Monitoring reports are posted publicly and archived for reference, ensuring employees work in a healthy and safe environment.

✓ 2024 Work Environment Monitoring Results:

- Regular workplace environment monitoring focuses on key indicators such as high temperature, noise, and carbon dioxide concentration. If any measurements approach the legal limits, prompt corrective actions are initiated.
- The monitoring results across the group's hotels all comply with regulatory standards.
- Additionally, fixed anti-slip strips were installed on stairways frequently used by employees to reduce slip incidents.



Storage and Management of Hazardous Substances in the Environment

To ensure the safe use of chemicals and control environmental risks, Silks Hotel Group has established a Chemical Product Management SOP, covering 68 chemical products across multiple departments, all of which have SDS available for reference. Regular training is conducted to enhance employees' awareness and emergency response capabilities. For liquid spill risks, a dedicated SOP is in place, regularly reviewed and updated by the Engineering Department. Spill incidents can be promptly handled and reported, ensuring the safety of both the environment and personnel.



Physical and Mental Health and Welfare Promotion

The Group is committed to creating a workplace that cares for employees' physical and mental health, providing comprehensive services from pre-employment medical examinations to regular health check-ups. Enhanced health monitoring is implemented for high-risk positions and night-shift personnel, with nurses following up on high-risk cases. A medical office staffed with physicians and nurses provides health education and emergency

medical support. Work arrangements are adjusted based on assessments, with special care for pregnant and middle-aged to senior employees, realizing the vision of a healthy workplace.



Prevention of Illegal Harm and Occupational Accidents

Through regular review by the Occupational Safety Committee, the health protection plan is evaluated, and corrective actions are proposed for unmet targets to strengthen employer-employee health consensus. Key initiatives include: rolling plan adjustments and announcements, caring for maternal protection cases, enforcing work hours and leave management, providing health measures according to job duties, implementing return-to-work mechanisms and rehabilitation counseling, and maintaining records of workplace physician services.

Additionally, in collaboration with the Ministry of Labor, job redesign for middle-aged and senior employees is promoted to improve work environment, reduce occupational hazards, and enhance employment stability and welfare.

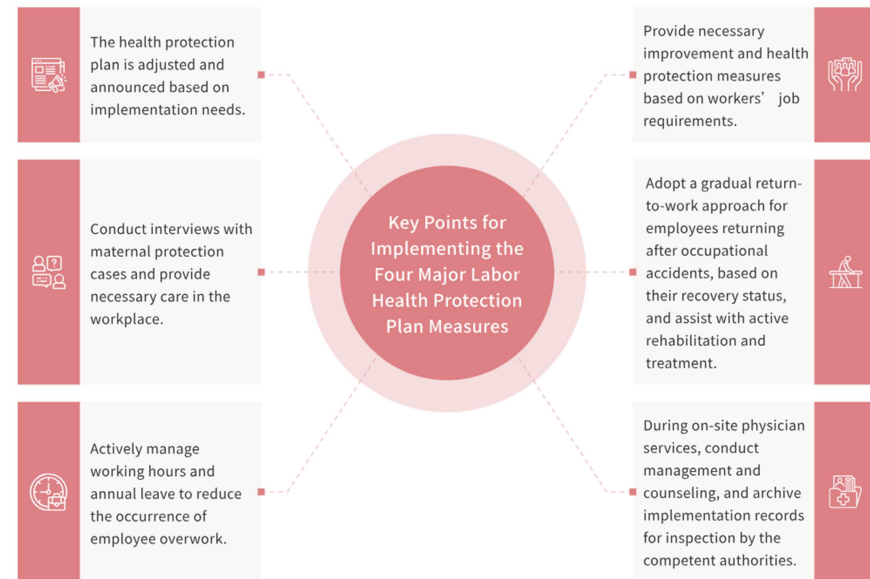
Silks Hotel Group is committed to creating a safe, respectful, and fair workplace, actively preventing and properly addressing all types of unlawful workplace harassment and other improper conduct, including sexual harassment, verbal abuse, discrimination, and psychological pressure. In accordance with the Occupational Safety and Health Act, we have established the Prevention Plan for Illegal Harassment During Work Execution, and strengthened employee reporting channels and handling procedures. The privacy and rights of both victims and reporters are fully protected, and any form of retaliation is strictly prohibited.

■ Health Protection and Workplace Enhancement

The Group collaborates with the Ministry of Labor's Job Redesign Center to implement the "Job Redesign Subsidy Program for Middle-Aged and Senior Employees," helping workers reduce occupational hazards and health risks while enhancing employment stability. Through the acquisition of assistive tools that improve work efficiency and safety, and the optimization of work processes, the workplace environment is effectively enhanced to prevent occupational accidents and promote employee well-being.

■ Key Points of Measures Implementation

- Health protection plans are adjusted on a rolling basis according to actual implementation needs and publicly announced.
- Individual consultations and necessary workplace care and support are provided for maternal protection cases.
- Working hours and annual leave systems are actively managed to reduce the risk of employee overwork.
- Work improvements and health protection measures are implemented based on the nature and requirements of different operations.
- A gradual return-to-work mechanism is adopted for employees recovering from occupational injuries, supported by active rehabilitation assistance.
- Onsite occupational physicians are engaged to provide management and counseling, with proper execution records maintained for regulatory inspection.



■ Occupational Accident Prevention

Through regular safety training and emergency response drills, employees' awareness of occupational safety and self-protection capabilities are enhanced. Detailed analyses are conducted and preventive measures are implemented, such as strengthening traffic safety education and improving the physical layout of workplaces, to reduce accident rates and safeguard employees' health and safety.

In 2024, Silks Hotel International Group recorded a total of 36 occupational accidents, a 38% decrease compared to 2023. Specifically, Taipei Silks and Tainan Silks experienced reductions of 18 and 2 cases, respectively; Just Sleep Hotels saw an increase of 4 cases; and Taroko Silks reported 7 cases due to the 403 earthquake (including one commuting fatality). With active promotion of occupational safety education, accident types such as traffic incidents, falls and collisions, cuts, and burns all decreased by over 50%.

The Group is committed to fostering a workplace environment that cares for employees’ physical and mental health by providing comprehensive health examination services for all staff. These services range from basic pre-employment checkups to regular health screenings during employment, including general assessments as well as specialized tests for specific occupational risks. We pay special attention to the health of employees in high-risk roles and those working long-term night shifts, arranging nurse consultations for high-risk individuals identified in health exams to provide reminders and guidance on medication, diet, and daily living.

To further support the holistic development of employees, we have established a well-equipped medical room staffed with an onsite physician and dedicated nursing personnel, offering health education, disease prevention, and emergency medical care services. Through regular workplace safety and health risk assessments, the Group also adjusts work environments and job duties according to employees’ health conditions and actual work needs. Special accommodations, such as flexible work arrangements and health care support, are provided for pregnant employees and those of middle and older age to safeguard their occupational safety and well-being.

The Group is committed to creating a safe, respectful, and fair workplace environment by actively preventing and properly handling various types of workplace illegal harassment incidents, including sexual harassment, verbal abuse, discrimination, and psychological oppression. We have established

Occupational Injury Rate

Occupational Injury Rate	Regent Taipei	Just Sleep	Silks Place Tainan	Silks Place Taroko	Total
Total Days of Absence	53	175	25	176	492
Total Working Days	266,992	53,389	90,421	42,912	456,609
Absence Rate	0.0198	0.3277	0.0276	0.4101	0.0939
Occupational Accident Rate per 1,000 Employees	11.865	24.681	32.719	3.461	20.606
Disabling Injury Frequency	5.618	11.704	16.126	20.3905	9.917
Disabling Injury Severity Rate	24.813	409.659	33.597	84.657	118.188
Total Injury Index	0.373	2.189	0.736	1.313	1.082

an "Illegal Harassment Prevention Plan in the Course of Duty" in accordance with the Occupational Safety and Health Act, strengthening employee reporting channels and handling procedures to fully protect the privacy and rights of victims and reporters, strictly prohibiting any form of retaliation.

2024 Results and Continuous Improvement

During the reporting period of this report, except for an incident at Silks Place Taroko involving a labor penalty for violation of Article 13, Paragraph 2 of the Gender Equality in Employment Act, no major reports of discrimination or harassment were received at other locations.

Following the incident, the company has continuously promoted and strengthened gender equality awareness among supervisors and employees, aiming to cultivate correct behaviors and mindsets among colleagues and foster harmonious relationships between genders.



Maternal Health
Protection and
Prevention Plan



Human Factor Hazard
Prevention Plan



Workplace Illegal
Harassment
Prevention Plan



Overload-Induced
Illness Prevention
Plan

3.2 Employee Care and Talent Retention

Performance Results	Future Goals		Future Goals	
- Regent Taipei received the HR Asia "Best Companies to Work for in Asia" award and was consecutively awarded the "Happiness Enterprise Gold Award" by 1111 Job Bank for four years. - Employee salaries exceed the statutory minimum wage by more than 12%. The annual average R12 survey score increased to 3.94, reflecting enhanced employee workplace recognition. - The number of participants in the employee stock ownership plan grew to 296, accounting for 18.8% of the workforce. - Employment for vulnerable groups: a total of 30 employees with disabilities and 30 employees aged 65 and above were hired.	Short-term Goals	Medium to Long-term Goals	Short-term Goals	Medium to Long-term Goals
	- Reduce turnover and fill manpower gaps. - Strengthen onboarding training and care mechanisms. - Improve new employees' integration speed and satisfaction. - Optimize benefits to promote retention.		- Build an inclusive workplace culture. - Promote gender and generational integration. - Strengthen internal promotion and talent development systems. - Establish a high-quality corporate brand that attracts top talent.	

Impact

Facing drastic changes in the labor market and manpower shortages, Silks Hotel Group actively adjusts its organizational structure and work models, reviews internal policies, and strives to reduce turnover risk and improve retention rates, ensuring service quality and operational stability.

Policy Commitment

Guided by the value of "treat others as you would like to be treated," Silks Hotel Group promotes fair recruitment, equal pay for equal work, and career development, fostering a diverse and inclusive workplace, upholding human rights, and aligning with SDGs 5, 8, and 10.

Actions Taken	By establishing transparent and fair recruitment mechanisms, promoting gender equality training and supportive welfare policies, and implementing human rights risk assessment surveys, Silks Hotel Group strengthens management systems and fosters workplace inclusivity. The Group also provides job redesign and competency support for middle-aged, senior, and vulnerable groups, creating a friendly and supportive work environment.
Evaluation Mechanisms	Through employee satisfaction surveys (R12 questionnaire), happiness index, tracking of retention and reinstatement rates, as well as analysis of gender ratios and pay equity, Silks Hotel Group continuously monitors organizational health. Data analysis is used to assess policy effectiveness and to iteratively adjust human resources strategies.
Stakeholder Engagement	Silks Hotel Group has established a transparent, two-way communication mechanism, promptly addressing employee feedback through labor-management meetings, general staff meetings, and grievance systems to ensure fairness and confidentiality. Guided by the principle of "treat others as you would like to be treated," the Group is committed to creating a friendly, diverse, and development-oriented workplace, continuously attracting and retaining top talent. The Group has also been awarded the "Happiness Enterprise Gold Award" by 1111 Job Bank, demonstrating excellence in talent management and workplace well-being.

Through labor-management meetings, employee assemblies, online surveys, and grievance mechanisms, the Group has established a transparent, two-way communication system with employees. All complaints are handled promptly by dedicated personnel to ensure fairness and confidentiality. Policies are regularly reviewed to improve workplace fairness and employee engagement.

The Group upholds the core philosophy of "treating others as we wish to be treated" and is committed to creating a warm, friendly, and development-oriented workplace, viewing employee well-being and sustainable operations as key drivers of long-term corporate growth. Through

diverse and forward-looking talent strategies, the Group continues to attract and retain outstanding talent, promoting diversity and inclusion, equal opportunities, and career development to fulfill its “people-oriented” commitment.

These efforts have also gained social recognition. Since 2020, we have won the “Happy Enterprise Gold Award” from 1111 Job Bank for four consecutive years and have stood out in the leisure and entertainment services category, demonstrating our excellence in workplace happiness and talent management. We have internalized the spirit of “treating guests like family” into our organizational culture and extended it to internal management, creating a safe, fair, respectful, and hopeful work environment where every employee can realize their potential and achieve personal value.

At the same time, the Group’s development direction actively aligns with the United Nations Sustainable Development Goals (SDGs), particularly showing concrete actions and results in the following three core goals:

- SDGs 5: Gender Equality — Ensure equal pay for equal work, no gender discrimination, and create diverse and equal employment opportunities.
- SDGs 8: Decent Work and Economic Growth — Provide competitive salaries and fair, transparent promotion channels to protect employee rights.
- SDGs 10: Reduced Inequalities — Guarantee equal opportunities and personal freedoms for all employees, rejecting any form of discrimination and unequal treatment.

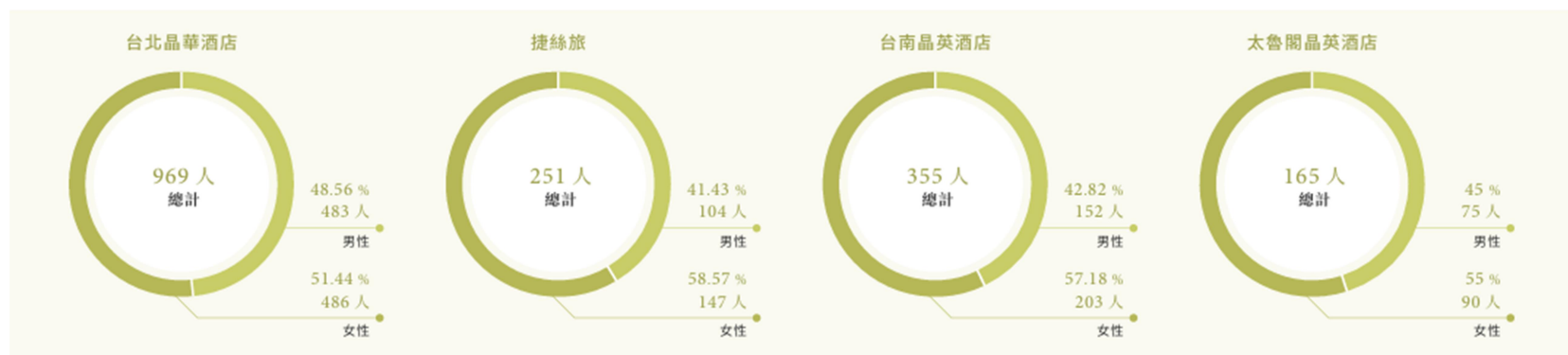
3.2.1 Employee Recruitment and Diversity &Inclusion

The Group recruits potential talent through diverse channels (such as job banks, campus partnerships, job fairs, industry-academia collaboration, and internal referrals). Upholding the principle of fairness, we hire individuals with the required competencies without discrimination based on nationality, gender, race, disability, or other factors, and strictly prohibit child labor, forced labor, and workplace harassment. We provide a fair and non-discriminatory recruitment process, employing staff from diverse backgrounds, including disadvantaged groups (such as the elderly, Indigenous peoples, and persons with disabilities).

Disadvantaged Employment: A total of 30 employees with disabilities and 30 employees aged 65 or above were hired, with suitable job positions designed for them and relevant support resources provided.

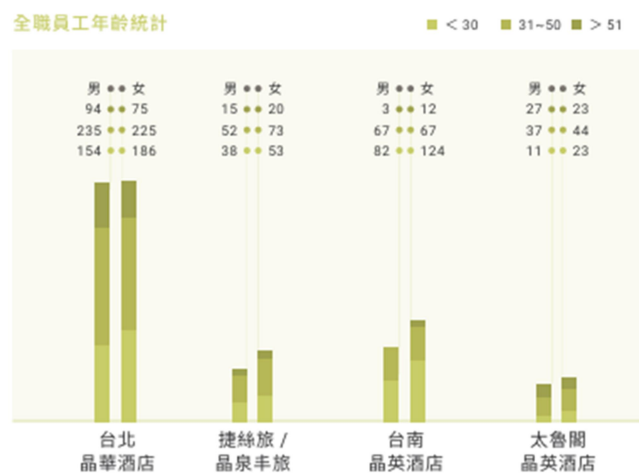
Regent Taipei received the HR Asia “Asia’s Best Employer Brand” award, scoring particularly high in the categories of “Think, Feel, Act,” “Diversity, Equity & Inclusion,” and “Sustainable Work Environment,” demonstrating its commitment to talent development, workplace happiness, and efforts to create a friendly and equitable work environment.

■ Full-time Employee Gender Statistics



■ Full-time Employee & Age Statistics

全職員工年齡統計

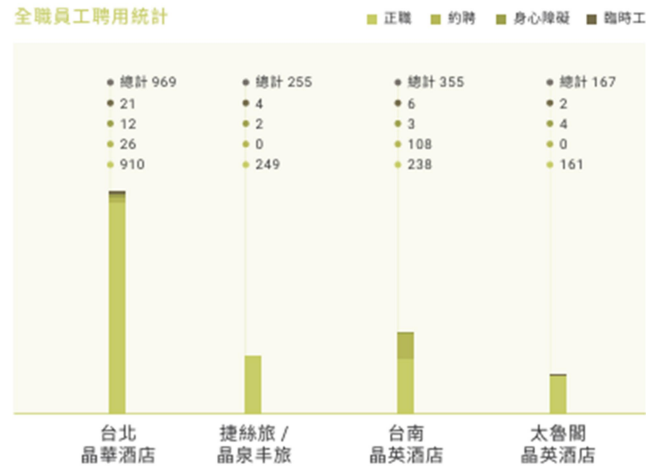


New Employees Employment & Age Distribution

新進員工 / 年齡分布

類別	新進員工						新進實習生					
性別	男			女			男			女		
年齡 / 歲	< 30	31~50	> 51	< 30	31~50	> 51	< 30	31~50	> 51	< 30	31~50	> 51
台北 晶華酒店	46	47	7	46	32	6	75	0	0	85	0	0
捷絲旅 / 晶泉丰旅	15	17	2	24	25	10	11	0	0	18	0	0
台南 晶英酒店	29	7	0	38	12	4	43	0	0	105	2	0
太魯閣 晶英酒店	3	5	4	2	4	2	4	0	0	3	0	0

■ Full-time Employee Employment Statistics



Age distribution of former employees

離職員工 / 年齡分布

類別	申請離職						留職停薪						申請退休			
	男			女			男			女			男		女	
年齡 / 歲	< 30	31~50	> 51	< 30	31~50	> 51	< 30	31~50	> 51	< 30	31~50	> 51	31~50	> 51	31~50	> 51
台北 晶華酒店	98	52	6	131	47	6	32	3	0	17	3	0	0	5	0	5
捷絲旅 / 晶泉丰旅	14	8	4	31	16	5	6	1	0	2	1	0	0	0	0	0
台南 晶英酒店	29	8	0	35	17	2	3	0	0	2	5	0	0	0	0	0
太魯閣 晶英酒店	23	22	7	21	10	5	0	1	0	0	2	0	0	1	0	3

3.2.2 Compensation and Benefits

The Group is committed to providing market-competitive compensation and comprehensive welfare systems. We regularly review industry salary trends to ensure a competitive salary system, viewing this as a key strategy to attract, motivate, and retain outstanding talent. Comprehensive compensation not only acknowledges employees' work but also serves as an important foundation for improving quality of life and workplace happiness. (The remuneration of the highest governance body, the Board of Directors, is disclosed in Section 2.1 Corporate Governance.

Industry salary trends are reviewed annually, and salary grade exchanges and comparisons are conducted with peer hotels to ensure fairness and reasonableness of the compensation system. Currently, the Group's base salary exceeds the statutory minimum wage by 12%. Even temporary and part-time staff are remunerated in accordance with the "Labor Standards Act," safeguarding the basic rights and living needs of all employees.

■ Compensation Policy

Differentiated pay based on responsibilities and performance: Salary determinations are based on employee job content, performance, and contribution, with differentiated salary adjustments and bonus distribution.

Market-competitive compensation: The overall compensation system and reward mechanisms are regularly reviewed to ensure competitive advantages within the industry.

Gender equality principle: Full implementation of equal pay for equal work, with salary determinations and promotion standards conducted openly, fairly, and without discrimination.

■ Average Salary Ratio between Male and Female Employees

	Regent Taipei	Just Sleep	Silks Place Tainan	Silks Place Taroko
	2022	2023	2024	
General Staff	1:0.94	1:0.92	1:0.95	
Mid-level Management	1:0.91	1:0.92	1:0.94	
Senior Management	1:0.71	1:0.71	1:0.75	

	Regent Taipei	Just Sleep	Silks Place Tainan	Silks Place Taroko
	2022	2023	2024	
General Staff	1:0.95	1:0.97	1:0.96	
Mid-level Management	1:0.93	1:0.91	1:0.91	
Senior Management	1:0.67	1:0.93	1:1.12	

	Regent Taipei	Just Sleep	Silks Place Tainan	Silks Place Taroko
	2022	2023	2024	
General Staff	1:0.95	1:0.93	1:0.95:1	
Mid-level Management	1:1.07	1:1.94	1:0.4:1	
Senior Management	NA (No male senior executives during the reporting period)			0.98:1

	Regent Taipei	Just Sleep	Silks Place Tainan	Silks Place Taroko
	2022	2023	2024	
General Staff	1:1.01	1:1	1.1:1	
Mid-level Management	1:0.89	1:0.88	1.1:1	
Senior Management	NA (No male senior executives during the reporting period)			

■ Salary Information for Full-time Employees Not in Managerial Position

Unit: Thousand NT Dollars

Note : Data source is the parent company

Year	2022	2023	2024	Difference Over the Past Two Years
Number of Employees / Annual Average	1,170	1,248	1,245	-3
Average Employee Salary / Per Person	645	699	710	+11
Median Employee Salary / Per Person	535	571	589	+18
Total Employee Salary Amount	755,071	872,208	884,258	+12,050

■ Friendly Workplace and Employee Care

All employees of the Group enjoy labor and health insurance, maternity/paternity leave, and other related employee benefits.

A Staff Welfare Committee has been established, and multiple employee care measures are promoted simultaneously:

- Basic statutory protections: Complete provision of labor and health insurance, maternity/paternity leave, occupational injury insurance, and other statutory benefits.
- Diverse welfare measures: Employee stock ownership plan, club activities, corporate competitions, employee travel, annual dinners, year-end and performance bonuses.
- Health and recreation facilities: Annual health check-ups, infirmary, library, staff cafeteria, lounges, and overnight dormitories are provided.
- Supportive environment for childbearing: Lactation rooms are set up, and maternity check-up leave, maternity leave, and parental leave with job protection are offered.
- Support for middle-aged and senior employees: Job redesign is promoted, workflows improved, and assistive devices introduced to create an age-friendly workplace.
- Employment of disadvantaged groups: Suitable job opportunities are provided for elderly and disabled employees, and related facilities are optimized to facilitate daily work and life.

In compliance with the “Gender Equality in Employment Act,” both male and female employees can apply for maternity/paternity and parental leave. Apart from considering employees’ personal affairs or family factors, the Human Resources Department also negotiates with department supervisors to provide appropriate leave options for employee applications.

In 2024, the Silks Hotel Group had a total of 37 male and 32 female employees applying for parental leave with job protection. That same year, the actual number of employees returning to work after parental leave was 22 males and 25 females, with a return-to-work rate of 68%. In 2023, the number of employees applying for parental leave and returning to work was 3 males and 10 females, all having worked for at least one year by 2023, with a return-to-work rate of 84.6%.

■ Retirement System and Employee Stock Ownership

The retirement policy applies to all formally employed staff. According to the Labor Pension Act, 6% of employees’ monthly salary is contributed to their individual labor pension accounts. Employees who have worked for over 15 years and are at least 55 years old, or have worked for over 24 years (better than the 25 years required by the Labor Standards Act), or have worked for more than 10 years and are at least 60 years old, are eligible to apply for retirement benefits. The pension payment methods for the old and new systems are determined by the Labor Standards Act’s relevant retirement regulations. Retirement planning advice is also provided to employees approaching retirement.

If a labor contract needs to be terminated due to conditions stipulated by the Labor Standards Act (such as operational changes), the notice period is as follows:

More than 3 months but less than 1 year of employment: 10 days' notice

More than 1 year but less than 3 years of employment: 20 days' notice

More than 3 years of employment: 30 days' notice

In case of position changes, direct supervisors will negotiate with employees before the change is announced and implemented, only proceeding upon consent.

To encourage employee stock ownership trusts, full-time or part-time employees with at least one year of service are eligible to join. Employees participating in the trust deduct a fixed amount from their salary monthly, and the company's Welfare Committee contributes a matching subsidy at varying ratios to form the trust fund, allowing employees to enjoy dividends like shareholders. In 2024, 296 employees participated in the stock ownership trust, accounting for 18.8% of total employees.

The Welfare Committee organizes domestic and international staff trips annually and subsidizes monthly club activities such as hiking, running, book clubs, and ukulele groups. Annual spring banquets are held to promote employees' physical and mental well-being and interdepartmental bonding. Additionally, group sports competitions and book clubs are held irregularly. Benefits include wedding gifts, condolence money, birthday gifts, holiday bonuses, and emergency relief funds. Welfare Committee expenses for 2024 amounted to NT\$3,212,000.

There are also "Performance Bonus Distribution" and "Year-End Bonus Distribution" policies aimed at motivating employees to achieve company performance goals and generate profits.

■ Enhancing Employee Happiness and Cohesion

Silks Hotel Group values positive communication mechanisms and diverse reward systems, striving to build a workplace culture that motivates participation and boosts employee recognition and happiness.

- New Employee and Intern Evaluation System

- ✓ To help new hires integrate quickly, the company conducts a performance review within three months of employment, assessing work performance and on-the-job training results with feedback.
- ✓ Interns are mainly evaluated on attitude, learning outcomes, and hours worked. Outstanding interns are offered full-time positions after graduation to cultivate potential talent.

- Model Employee and Reward System

To encourage outstanding performance, the following reward mechanisms are in place:

- ✓ Each department nominates outstanding performers monthly, with supervisors selecting the “Model Employee” of the month.
 - ✓ Model Employees may compete for the “Employee of the Year” award, with their achievements publicly recognized and posted on the company’s internal website.
 - ✓ Awards are presented during the annual spring banquet to boost morale and pride.
- ✧ Awarded employees receive accommodation vouchers, meal coupons, or cash bonuses as incentives.

■ Employee Happiness and Workplace Satisfaction Surveys

The company regularly conducts the “R12 Questionnaire” and “Happiness Index Survey” to comprehensively understand employee job satisfaction and mental state. The questionnaire covers four areas: retention willingness, work expectations, organizational identification, and overall satisfaction. Survey results serve as important references to optimize workplace policies and employee welfare strategies, helping supervisors and employees review career goals and current work conditions, identify improvement areas, effectively reduce burnout, and enhance resilience and job performance.

By the end of 2024, the overall average R12 questionnaire score was 3.94, up 0.07 from the previous year, indicating a stable upward trend and accumulated effectiveness in team management. Intern scores slightly declined, possibly related to new hire adaptation periods and turnover; thus, onboarding counseling and care mechanisms are being strengthened to help interns integrate more quickly.

Regarding the Happiness Index, full-time employees showed a slight increase, continuing a positive atmosphere, while intern scores declined somewhat. Most employees identified “team atmosphere” and “work environment” as major positive factors, while “workload” was the most common negative factor. Departments are requested to review task assignments and manpower distribution to optimize workload.

Overall, despite short-term score fluctuations, the long-term trend remains positive. The company will continue communicating with departments to clarify key issues, set next-stage R12 goals, and promote ongoing employee happiness improvements.

Intern score declines related to adaptation and turnover will be addressed by strengthening onboarding, counseling, and care mechanisms to facilitate faster team integration.

3.2.3 Human Rights Protection and Diversity & Inclusion

In response to global sustainability governance trends and new regulations such as the EU Corporate Sustainability Due Diligence Directive (CSDDD), promoting Diversity, Equity, and Inclusion (DEI) has become a core strategy for respecting human rights, strengthening resilience, and enhancing international competitiveness. It is also an important practice for corporate social responsibility. DEI management has been incorporated into human rights policies and due diligence disclosures, aligning with the United Nations Sustainable Development Goals (SDGs) SDGs 5 (Gender Equality), SDGs 10 (Reduced Inequalities), and SDGs 17 (Partnerships for the Goals).

The Silks Hotel Group upholds the core values of respecting human rights and promoting diversity and inclusion, dedicating itself to creating a safe, equal, and dignified working environment. Following international standards such as the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, and the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, the Group has established a Human Rights Management Policy. In accordance with domestic laws and international best practices, the Group continuously reviews and improves related systems and measures to build a fair, dignified, and inclusive workplace, fully implementing DEI values.

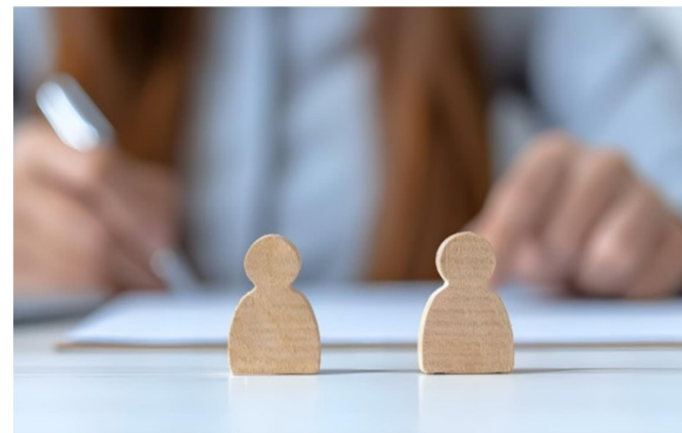
■ 2024 Silks Hotel Group Human Rights Due Diligence (Human Rights Risk Assessment Results)

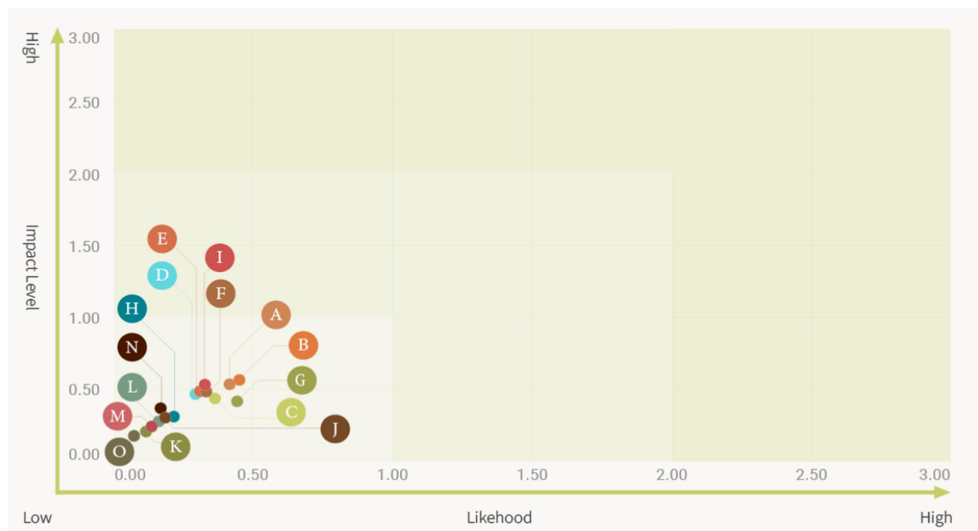
Referring to international human rights conventions, relevant guidelines, and human rights due diligence reports from benchmark enterprises, the Group consolidated related human rights risk issues and assessed potential human rights risks throughout the value chain, incorporating these into the human rights risk assessment process.

In 2024, an internal human rights risk assessment was conducted via an online survey targeting employees. The questionnaire evaluated the “likelihood” and “severity” of various human rights risk issues.

A total of 442 questionnaires were collected in the 2024 internal employee human rights risk assessment survey. Based on the results, a “Human Rights Risk Matrix” was produced, categorizing human rights risks into three levels:

According to the 2024 employee human rights due diligence results, no human rights issues were identified at or above the moderate risk level. The Company will continue to conduct human rights risk assessments and implement prevention and mitigation measures for related risks.





- A Protection of working and labor conditions
- B Right to health - Health protection measures
- C Freedom of speech and expression - Providing channels for speech and expression
- D Personal freedom and safety
- E Privacy protection
- F Right to health - Providing occupational safety and health training
- G Right to family life - Not harming the right to family life
- H Freedom of speech and expression - Protecting freedom of speech and expression

- I Non-discrimination - Promotion
- J Non-discrimination - Recruitment
- K Forced labor
- L Freedom of assembly and association - Protecting freedom of assembly and association
- M Freedom of assembly and association - Establishing collective bargaining mechanisms
- N Right to family life - Providing childcare support and benefits
- O Child protection

Likelihood (0–3 points)

- 0 = Will not occur
- 1 = Low likelihood (1%–30%)
- 2 = Moderate likelihood (31%–60%)
- 3 = High likelihood (over 61%)

Severity (0–3 points)

- 0 = No impact
- 1 = Not serious
- 2 = Serious
- 3 = *Very serious*

■ Creating a Diverse and Inclusive Workplace

To realize gender equality and cultural diversity, Silks Hotel Group implements fair treatment principles throughout recruitment, employment, compensation, training, and promotion processes. The Group strictly prohibits any discrimination based on gender, age, nationality, race, religion, political stance, disability, or other factors. It adheres to the principles of “equal pay for equal work” and “equal opportunity for promotion,” and bans child labor, forced labor, sexual harassment, and workplace bullying, ensuring every employee is equally respected.

The Group actively promotes a family-friendly workplace by providing statutory maternity, paternity, and parental leave benefits, establishing lactation rooms and gender-friendly restrooms, and promoting nearby childcare collaborations and postpartum support systems to help employees balance

career and family. Gender equality and diversity training courses are conducted for management and supervisors to strengthen workplace gender awareness from the top down.

Cooperating with multiple educational institutions, the Group offers internship opportunities to students to enhance youth employability, strictly preventing illegal employment and any form of forced labor, thus safeguarding workplace equality and personal freedom. Through institutionalized management and an open communication culture, the Group continuously enhances corporate image and social trust, expanding brand influence.

■ Labor-Management Harmony and Human Rights Protection

Silks Hotel Group is committed to fostering a diverse, equal, and human-rights-respecting work environment. Through institutionalized management and transparent communication, the Group continuously strengthens labor-management harmony and workplace ethics culture. It has established comprehensive “Work Rules” and “Code of Ethics” that clearly regulate employment, working hours, wages, leaves, rewards and punishments, retirement, and other related systems. New hires undergo orientation training, confidentiality agreements are signed, and regular internal promotions are held to enhance employee awareness and compliance with company policies and workplace norms. Regarding gender equality and human rights protection, the Group complies with the “Gender Equality in Employment Act” and the “Sexual Harassment Prevention Act” by setting up complaint and investigation mechanisms. It formulates “Sexual Harassment Prevention Handling Guidelines,” employee compensation and welfare promotion systems, and regularly reviews and revises related policies to ensure fairness, justice, and safety in the workplace.

In compliance with Article 30-1 of the Labor Standards Act, all attendance, leave, and absence systems are negotiated between labor and management, strengthening lawful employment and workplace safety, and eliminating any form of discrimination, harassment, or improper treatment. Through comprehensive welfare policies, training, and career development systems, the Group enhances employee retention and satisfaction, realizing mutual trust and sustainable win-win labor-management relationships.

■ Employee Empowerment and Economic Human Rights Practice

To enhance employee participation and sense of belonging, the Group actively promotes the Employee Stock Ownership Plan, encouraging employees to participate in the company’s long-term development and share operational results. This initiative strengthens employees’ identification with and responsibility toward the company and concretely practices economic human rights. By promoting shared prosperity, the Group fulfills its social responsibility and commitment to economic inclusion, working with employees to build a sustainable future.

■ Supply Chain Human Rights Risk Management

Human rights protection extends to supply chain management, requiring long-term partners to sign labor and human rights clauses and be included in supplier evaluations and regular audits. This prevents illegal employment, child labor, and forced labor. The Group promotes cooperation partners to jointly practice social fairness and labor dignity, building a responsible value chain together.

■ Continuous Improvement and Information Transparency

The Group regularly reviews the implementation of human rights policies, continuously improving and updating them based on the latest laws, regulations, and best practices. By focusing on major social issues, data analysis, and surveys, the Group examines its operations, value chain, and related activities to identify and assess risk groups and potential human rights risks, formulate mitigation measures, and continuously monitor and improve implementation results. The Group keeps updating its human rights management system and conducted human rights-related training in 2024, with a total of 5,099 training participants and 9,432 training hours.

Through surveys and data analysis, attention to social issues, internal audits, risk identification, and mitigation plans, the Group ensures all stakeholders are properly protected, fulfilling its commitment to sustainable development.

■ Employee Communication and Grievance Mechanisms

The Group respects employees' legally protected rights to association and assembly and provides diverse internal communication and grievance channels, including:

- Labor-management meetings and employee assemblies
- Email feedback channels
- Sexual harassment prevention hotline
- Reward and performance grievance systems
- Silks University APP platform
- Official website stakeholder area and anonymous feedback mechanisms



All complaints are promptly handled by dedicated HR personnel, ensuring confidentiality, fairness, and accessibility, promoting two-way labor-management communication and harmony. Through sound human rights systems, welfare policies, stable compensation, education and training, and performance evaluations, the Group builds a healthy and safe working environment where every employee can confidently realize their potential and contribute to a sustainable culture of mutual learning and shared growth.

3.3 Talent Development and Career Growth

Performance Results

- In 2024, Silks Hotel Group recorded a total of 67,204 hours of in-person training across 11,622 participants, along with 3,366 online course participants.
- Silks Place Tainan obtained WSET and SSI certifications, strengthening expertise in wine and spirits; meanwhile, AI co-learning programs and cross-property rotation effectively enhanced employees' digital literacy and career development.
- The Group's training and development programs have significantly improved employees' professional skills and career competencies, further elevating service quality, enhancing market competitiveness, and strengthening brand value.

Future Goals

Short-term Goals	Medium to Long-term Goals
• Strengthen digital capabilities and practical skills. • Promote training programs for frontline staff and supervisors. • Enhance immediate operational readiness and service excellence.	

Future Goals

Short-term Goals	Medium to Long-term Goals
	• Establish a sustainable talent development system and deepen cross-brand rotation. • Design career pathways for Generation Z and foster organizational culture inheritance to strengthen the Group's competitiveness.

Impact

With the rapid growth of digital transformation and the demand for high-end services, the hospitality industry faces higher requirements for talent quality. Confronted with labor shortages, generational differences, and intense competition, the Group continues to adjust competency requirements and training mechanisms to ensure employees can respond promptly to changes, maintain service quality, and sustain operational efficiency.

Policy Commitment

The Group is committed to building a "learning organization" that fosters lifelong learning and career development for all employees. Through mechanisms such as coaching-based leadership, digital co-learning, and industry-academia collaboration, the Group advances SDG 4 (Quality Education) and SDG 8 (Decent Work and Economic Growth), cultivating hospitality professionals equipped with both expertise and cultural literacy.

Actions Taken	The Group promotes diversified learning strategies, including the iGPS career navigation program, digital learning platforms, cross-property rotations, and international certification courses. At the same time, AI-enabled co-learning and the British butler system are introduced to enhance employees' practical capabilities and workplace resilience, thereby strengthening professional skills and elevating service quality.
Evaluation Mechanisms	The Group evaluates training effectiveness using key performance indicators such as total training hours, participant numbers, online engagement, and course completion rates. In addition, R12 survey results and employee feedback are continuously monitored to track outcomes. For the medium and long term, succession planning progress and the improvement of competency gaps serve as key measures of effectiveness.
Stakeholder Engagement	The Group actively establishes interactive platforms through internal training feedback, cross-departmental communication meetings, and industry-academia collaboration to understand employee needs and adjust course content. Specialized programs are developed in cooperation with domestic and international schools, and the Group participates in government training initiatives, strengthening stakeholder engagement and collaborative talent development.

The tourism industry's core competitiveness stems from quality products and outstanding service. To enhance customer experience and satisfaction and maintain a leading position in a highly competitive market, Silks Hotel Group continuously promotes comprehensive talent development programs, systematically strengthening employee competencies and service excellence through professional training and learning.

Adhering to the philosophy of “growth through learning,” the Group provides diverse educational resources, including common core courses, professional knowledge and skills training, and extends to management and personal development programs beyond work duties, encouraging employees to continuously improve.

Our efforts in talent development and creating a happy workplace have gained international recognition, winning the “Asia’s Best Employer Award,” highlighting the Group’s excellence in human resource development and sustainable governance.

3.3.1 Talent Development and Corporate Sustainability

To respond to industry development trends and challenges, Silks Hotel Group continuously invests resources in career development plans, focusing on three main pillars: Talent Recruitment, Competency Enhancement, and Succession Planning, establishing a comprehensive and sustainable talent development framework.

We actively attract potential employees, systematically strengthen the professional competencies of existing staff, and launch succession programs for key positions to ensure a steady transfer of talent capabilities. Through this integrated human capital development strategy, the Group can meet future operational needs and continue to provide high-quality service to customers, moving toward sustainable business operations.

- Talent Recruitment

We actively participate in government job fairs to attract talents from diverse backgrounds, including fresh graduates, individuals re-entering the workforce, and career changers, to meet the needs of various roles.

- Employee Competency Enhancement

We continuously strengthen employees’ professional competencies by planning diversified training courses, including common skills development, professional knowledge and practical skills training, as well as management and leadership development programs to support comprehensive growth.

- Succession Development and Corporate Culture Inheritance

We actively cultivate high-potential employees through focused training programs, enhancing their core competencies and management skills to prepare future successors. A complete succession system is established to ensure organizational stability and cultural continuity.

- Nurturing Future Talent, Fulfilling Sustainability Commitments

In response to the dual trends of digital transformation and high-end service demand, the Group continuously strengthens its internal training system. Through a series of learning courses combining technology application, professional practice, and international certifications, employees' competencies and competitiveness are systematically improved. Course designs closely align with industry development trends and operational needs, covering areas such as AI tool utilization, digital skills enhancement, international etiquette standards, and professional knowledge of fine beverages. These help employees keep pace with the times and expand their career horizons.

These training initiatives not only demonstrate the Group's long-term commitment to talent development but also echo the United Nations Sustainable Development SDGs (SDGs) 4 (Quality Education) and 8 (Decent Work and Economic Growth), implementing lifelong learning and sustainable skills strategies within the company to build a resilient and professional hospitality team.

■ Refined Service, Sustainable Hospitality

To deepen the high-end service experience, the Group has introduced a private butler service system originating from the UK, training hundreds of professional butlers during the period. This series of courses focuses on consistent and rigorous service standards and etiquette, strengthening butlers' sensitivity to details and their ability to provide comprehensive personalized service, building a professional team capable of delivering tailored experiences.

Training covers both personal demeanor and professional skills, ranging from speech and manners to guest service and luxury reception procedures, comprehensively elevating the overall team standards. At the same time, the Group inherits the delicate spirit of Japan's top "Okami" (female innkeeper) culture, designing a series of foundational food and beverage training courses for new employees. These cover pouring etiquette, tray handling skills, and beverage knowledge, strengthening practical operations and professional image at the frontline.

Through these systematic and progressively layered training programs, participants not only learn how to build deep connections with guests but also plan personalized service improvement plans, further realizing hospitality experiences that exceed customer expectations. This talent development strategy comprehensively enhances the service quality of butlers and food & beverage supervisors across the Group's hotels, consolidating the Group's leadership position in the high-end hospitality market and embodying the core value of "Refined Service, Sustainable Hospitality."

“Refined Service, Sustainable Hospitality” and Sustainable Development Goals (SDGs) Mapping Table

SDGs Goal	Sub-item Number	Corresponding Clause	Implementation Actions	Concrete Outcomes
SDGs 4 Quality Education	4.3	Provide equal and affordable technical and vocational education	Establish systematic training courses based on British butler service and Japanese "Okami" culture, covering etiquette, communication, and professional skills	Employees receive high-quality, practical vocational training, effectively enhancing service literacy and professional abilities
	4.4	Enhance learning opportunities for skills needed for employment and entrepreneurship	Train hundreds of professional butlers; design practical training covering tray skills, beverage knowledge, and pouring etiquette to strengthen service capabilities of frontline and mid-level staff	Employee skill upgrades lead to more attentive and refined customer service, improving overall reception standards
	4.7	Empower knowledge and skills needed for sustainable development, including human rights, cultural diversity, and culture of peace	Focus on training in demeanor, communication, and cultural sensitivity, incorporating respect, integrity, and care, emphasizing deep connections with guests	Enhancing employees' service attitudes to be more people-oriented and comprehensive, building a workplace culture rooted in the spirit of sustainable service

■ Talent Development and Certification

To enhance the professionalism of food and beverage services and deepen customer experience, Silks Place Tainan continuously promotes the cultivation and development of professional talent. Under the guidance of expert consultants and international certification bodies, the food and beverage team actively participates in systematic training and practical exercises, progressively obtaining international certifications, including WSET (Wine and Spirit Education Trust) and SSI (Sake Sommelier Institute).

Through strengthening expertise in wine and spirits, service staff can flexibly tailor experiences to customers' preferences, creating personalized food and wine pairings that add value to service and deliver an exceptional and memorable dining experience. This not only demonstrates employees' dedication and pursuit of professionalism but also reflects the Group's commitment to sustainable talent development.

“Talent Development and Certification” and Sustainable Development Goals (SDGs) Mapping Table

SDGs Goal	Sub-item Number	Corresponding Clause	Implementation Actions	Concrete Outcomes
SDGs 4 Quality Education	4.4	Enhance learning opportunities for employment and entrepreneurship skills	Collaborate with international certification bodies to assist employees in obtaining WSET and SSI certifications	Employees acquire globally recognized professional qualifications, improving employment and promotion opportunities
SDGs 8 Decent Work and Economic Growth	8.2	productivity with focus on high value-added activities	Employees apply beverage knowledge in high-end food and beverage service, enhancing overall service value and customer satisfaction	Strengthen the professionalism and brand image of the F&B department, boosting revenue and competitiveness
	8.6	Reduce the proportion of youth not in training or employment	Provide on-the-job training and professional certification opportunities to attract youth to the F&B industry	Cultivate stable core talents, reduce turnover rate, and enhance industry attractiveness

■ Digital Advancement: AI Collaborative Learning

The Group actively promotes digital transformation and employee skill upgrading by launching the "AI Collaborative Learning" course series. Topics include ChatGPT, STYLAR.ai, Excel, and digitalizing meetings, helping employees master artificial intelligence applications and digital tool operations.

“Digital Advancement: AI Collaborative Learning” and SDGs Alignment Table

SDGs Goals	Target Number	Corresponding Clause	Implementation Actions	Concrete Outcomes
SDGs 4 Quality Education	4.3	Provide equal and affordable technical and vocational education	Offer free internal training courses, providing employees opportunities to learn AI tools and digital skills	Lower learning barriers, promote equitable distribution of educational resources within the company
	4.4	Increase opportunities for learning skills needed for employment and entrepreneurship	Teach practical applications of ChatGPT, STYLAR.ai image generation, Excel operation, and digital record tools	Strengthen employees’ digital transformation capabilities, enhancing workplace competitiveness and creativity
SDGs 8 Decent Work and Economic Growth	8.6	Reduce the proportion of unemployed and untrained youth	Encourage all employees to participate in digital transformation training, practicing lifelong learning	Promote internal talent retraining and upgrading, reducing skill gaps
	8.9	Promote sustainable tourism and local employment	Design courses aligned with hotel operations, enhancing smart service capabilities	Support digital upgrading and sustainability of talents in hospitality, improving customer experience and industry resilience

■ Industry-Academia Collaboration and Innovative Talent Development

The Group continues to deepen industry-academia cooperation and expand the New Southbound exchange platform, continuing to offer New Southbound special classes in the 2024 academic year. The New Southbound classes attract international students from countries including Indonesia, the Philippines, and Malaysia to complete their university studies in Taiwan. Combining theory with practical training, students undertake cross-department and cross-property internships at Group hotels during their studies to facilitate early career integration. The first

batch of students is prioritized for internships at the brand-new hotel “Wellspring by Silks Beitou,” which combines hot spring therapy with leisure and resort experiences. Moving forward, the Group will continue to systematically promote the nurturing mechanism for overseas Chinese and foreign students, injecting diverse and high-quality new talent into the hospitality industry.

3.3.2 Diverse Training and Sustainable Legacy

■ Building a Comprehensive Talent Development System

The Group continues to promote diversified education and training courses to comprehensively strengthen employees’ professional abilities and core competencies. On-site courses cover a broad range of areas, including “Coach-style Leadership” training for leaders, a “Care Series” focusing on employee mental health, “SOP Operation Process Training” to enhance work standardization, and “Fire and Disaster Prevention Basic Training” to strengthen safety awareness. Additionally, detailed training is provided for foundational skills in food and beverage service, guest service management, and housekeeping operations, ensuring all departments maintain professional standards and excellent work efficiency.

In terms of online learning, we actively develop multilingual learning resources (Chinese, English, Japanese, Indonesian) and promote company-wide participation in the “4DX Execution Discipline” program, helping employees focus on goals, enhance execution, and take accountability for results. In response to industry digital transformation trends, weekly “AI Co-learning” courses are launched to assist employees in mastering artificial intelligence and digital tool applications, boosting workplace competitiveness.

In 2024, physical career training courses had a total participation of 11,622 people, accumulating 67,204 training hours (excluding new employee orientation).

The Group launched the new “iGPS Career Navigation Map” program, helping employees explore the most suitable career paths based on their personalities and interests. This two-year rotation and learning journey includes the “iExplore GPS” program designed for new graduates, and the “iBreakthrough GPS” program for employees with 3 to 5 years of industry experience. Selected participants can choose to rotate across three locations or three different job roles within the Group within 24 months, gaining cross-functional or cross-brand practical experience and broadening their career perspectives. Employees who complete the iGPS program will become key reserve talents for future general managers and department heads.

In response to the United Nations’ forecast that Generation Z will comprise nearly 40% of the workforce by 2030, the Group has adjusted its talent strategy to create a workplace environment from the perspective of Generation Z. It emphasizes experiential learning and the process of value realization, guiding young employees to discover their talents and passions at work and gradually achieve personal fulfillment.

■ Sustainable Talent Strategy: Three Key Actions to Promote a Learning Organization

To strengthen sustainable talent cultivation, we continuously implement the “4DX Execution Discipline,” which includes: “Focus on wildly important goals,” “Act on lead measures,” “Keep a compelling scoreboard,” and “Create a cadence of accountability.” These help employees concentrate on priorities, courageously take responsibility, and align with the organization’s core mission, building a high-performance, collaborative learning team.

Faced with a younger and more diverse workforce, the Group redefines supervisory roles by introducing “Coach-style Leadership” training, replacing the previous command-style management model. This new approach emphasizes care, companionship, listening, and inspiration, assisting supervisors in leading their teams through dialogue to discover potential, help employees recognize blind spots in thinking, change behavior patterns, and improve overall performance.

Additionally, we actively enhance the Silks digital learning platform app and the “Regent Talk” training courses. In 2024, online courses reached a total of 3,366 participants. Combining the convenience of mobile devices and personalized learning mechanisms, the platform provides a timely, flexible, and efficient learning environment for all employees, promoting the overall quality of the organization to a higher level.

■ Total Training Hours (Analyzed by Job Level and Gender)

Hotel	Regent Taipei		Just Sleep /Well Spring		Silks Place Tainan		Silks Place Taroko	
Gender	Male	Female	Male	Female	Male	Female	Male	Female
Supervisors	1,171	1,230	176	245	495	488	2,040	5,305
Employee	3551.7	3,727.9	658	1,029.5	1,905	2,526	22,032	24,493
Total Training Hours	9,680.6		2,108.5		5,414		53,870	

3.4 Community Care and Philanthropy

Performance Results

Through active community participation and public welfare practices, Silks Hotel Group has established a positive image in the community, enhanced employee engagement, and continuously received multiple social responsibility awards. In November 2023, the Group launched the Sustainable Tourism Earth Check certification program, making Regent Taipei the first five-star hotel in Taiwan to comprehensively implement sustainability goals. In April 2024, the Group was awarded the Bronze certification, reflecting recognition of our long-term efforts and achievements, and we continue to strive towards obtaining the Silver certification.

Future Goals

Short-term Goals

Medium to Long-term Goals

• Expand the scale and impact of public welfare activities to improve the quality of life in the community.

• Enhance environmental awareness and the practice of resource recycling.

Future Goals

Short-term Goals

Medium to Long-term Goals

• Become a leading brand in promoting sustainable community development.

• Achieve deep integration of community resources and mutually beneficial symbiosis.

Impact

Silks Hotel Group deeply recognizes the importance of corporate social responsibility in establishing sustainable development. Through public welfare activities and community care programs, the Group actively engages in community improvement efforts and directly contribute to achieving the United Nations Sustainable Development Goals.

Policy Commitment

Silks Hotel Group is dedicated to supporting and improving the communities the Group serves through public welfare activities and environmental practices, while also contributing to the development of inclusive, safe, resilient, and sustainable cities and communities.

Actions Taken	Silks Hotel Group collaborates with local groups to regularly organize events such as the charity cooking event at the Hualien Dawn Center and co-organize the "Sustainable Charity Christmas Market" with the Taipei Rapid Transit Corporation. The Group promote energy-efficient equipment and eco-friendly cleaning products, implementing green procurement strategies to reduce environmental impact.
Evaluation Mechanisms	Through regular project evaluations and community feedback, Silks Hotel Group assesses the effectiveness of public welfare projects and community service activities, ensuring continuous improvement and alignment with community needs.
Stakeholder Engagement	Silks Hotel Group maintains regular communication with community neighborhoods, partners, and government agencies to ensure that our activities genuinely meet the needs of the community. Our transparent and open communication strategy strengthens trust and cooperation with stakeholders.

Silks Hotel Group deeply understands the importance of corporate social responsibility in establishing sustainable development, especially in the tourism industry. We are keenly aware of our close connection with local communities, the environment, and customers. This chapter demonstrates how our group actively improves and supports the communities we serve through diverse public welfare activities and community care programs, effectively responding to the United Nations Sustainable Development Goals (SDGs) and fulfilling the role of local responsible actors in the hospitality industry.

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■ Correspondence of various projects and activities with SDG goals and service focuses:

SDGs 10 (Reduced Inequalities): Focus on vulnerable groups through charity markets, employment training, and accommodation support to promote social inclusion;

✓ SDGs 11 (Sustainable Cities and Communities): Participate in community greening, barrier-free design, and cultural activities to create inclusive and resilient urban spaces;

- ✓ SDGs 12 (Responsible Consumption and Production): Continuously promote plastic-free transformation, energy-saving facilities, and local sustainable procurement to implement green operations;
- ✓ SDGs 13 and 15 (Climate Action and Life on Land): Organize environmental education and ecological conservation activities such as firefly-watching tours and solitary bee hotel experiences to promote public awareness and participation in nature conservation;
- ✓ SDGs 4 and 8 (Quality Education and Decent Work): Empower through arts education, vocational training, and community talent development;
- ✓ SDGs 14 and 17 (Life Below Water and Partnerships for the Goals): Combine hospitality donations and cross-sector collaboration to promote marine sustainability and social connection, realizing joint impact creation with stakeholders.

Additionally, targeting SDGs 1, 2, and 3 (No Poverty, Zero Hunger, Good Health and Well-being), we have long promoted public welfare programs such as meals for the elderly, laundry care, and charity cooking.

Through these concrete actions, the group demonstrates its long-term commitment to society and the environment, embodying our belief and practice as a responsible brand.



■ 2024 Social Sustainability Projects



Continuous Giving Back, Public Welfare Practices

• 9th Annual Charity Cooking Event

The "Qixing Chefs Charity Cooking Event at Hualien Liming Welfare Center" was led by Executive Chef Chen Chun-Sheng of Regent Taipei. Together with the charity cooking team and volunteers, they brought an unforgettable gourmet feast to the teachers and students of the Liming institution on October 20 and 21, while also promoting community solidarity and support, delivering genuine warmth and care to disadvantaged groups.

A total of 23 volunteers participated, including hotel chefs, teachers, media professionals, and entrepreneurs. In addition, 11 suppliers sponsored ingredients valued at NT\$100,000. Community Park Adoption Program and Neighborhood Care.

• Community Park Adoption Program and Neighborhood Care

Regent Taipei has adopted Park No.4 in Zhongshan District for over 20 years, consistently investing in landscape greening and artistic lighting maintenance. The park has become an important venue for community residents' daily leisure and festive activities. The hotel also collaborates with local leaders to regularly provide meals to low-income households and elderly residents living alone, while sponsoring snacks, meals, or manpower support for various community events. These efforts actively promote community inclusion and care for disadvantaged groups, demonstrating the company's long-term commitment to local well-being.

In 2024, the total expenses for park maintenance and neighborhood care amounted to NT\$685,000, representing a 14% increase compared to 2023.



Number of participating
volunteer team
members

23
people

Sponsored ingredient
cost

NT\$ 100,000



Total related expenses

NT\$ 685,000

Increase compared to
2023

14 %

- Silks Places’ Commitment in Disaster Relief

On April 3rd, the devastating Hualien earthquake struck the area, with the Silks Place Taroko located in the hardest-hit zone. Immediately after the quake, the hotel demonstrated corporate resilience and humanitarian care by proactively opening its facilities as a temporary shelter, providing safe accommodation and hot meals, fully supporting the basic living needs of those affected. Hotel staff also volunteered as emergency responders, assisting with onsite order maintenance and resource allocation, showcasing strong crisis response capabilities and timely social responsibility.

Supported over 500 stranded guests. Cultural and Tourism Public Welfare Activities.



Assisted over
500 people

- Cultural and Tourism Public Welfare Activities

Regent Taipei has long supported Taipei City Government initiatives related to culture, tourism, and social welfare. The hotel actively participates in local arts, festivals, and tourism promotion events, strengthening the city's cultural foundation and tourism appeal, while fostering community vitality and industry development. These efforts highlight the company's commitment to public affairs and its vision of a sustainable and inclusive city.

In 2024, expenses for cultural public welfare activities totaled NT\$17,500,000, representing a 140% increase compared to 2023.



Public welfare activities cost NTS	Increase compared to 2023
17,500,000	140 %

- Charity Christmas Market

On November 30, Regent Taipei hosted the "Charity Christmas Market," collaborating with Michelin-starred chefs to combine festive gourmet offerings with a charity sale of second-hand tableware and food ingredients. All proceeds from the event were donated to the “Children Are Us Foundation” , enabling the public to enjoy fine food and shopping while also contributing to a good cause.

This event, supported by suppliers who sponsored charity sale items, featured a total of 16 stalls and attracted over 1,000 participants, including residents of Zhongshan District's Kangle Village, travelers, and the general public. The



Charity sale proceeds
NT\$ 200,000

charity sale raised a total of NT\$200,000, all of which was donated to the Children Are Us Foundation, demonstrating the power of collective goodwill between the company and society.

Just Sleep Caring Laundry - Spreading Warmth with Travelers



Expanding Love, Social Participation

- Just Sleep Caring Laundry - Spreading Warmth with Travelers

Just Sleep Taipei Ximending, Jiaoxi, and NTU Respect Hall have long promoted the "Caring Laundry" charity initiative, donating all laundry detergent income from self-service laundry facilities to the Taiwan AIDS Foundation to support programs for the underprivileged. Donation boxes are also placed in the hotels, inviting guests to contribute during their stay, spreading warmth and kindness along their journey.



- Art Charity Sale Empowering Youth with Disabilities

Silks Place Tainan invited artist Chen Cong to the Rui-Fu Center for the Mentally Challenged to host a creative workshop, guiding young participants in completing artworks that were later transferred onto drawstring bags. These, along with sustainable okara gingerbread and handmade snacks, were sold at a charity sale, with all proceeds donated to support the center's operations—integrating art participation with philanthropic action.



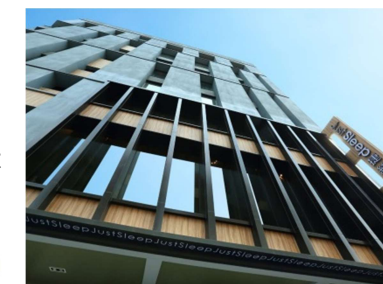
By combining art education, care for the underprivileged, and green consumption, the initiative demonstrates the Group's proactive commitment to diversity, inclusion, and sustainable development.

- Green Energy and Environmental Protection

All hotels under the Just Sleep brand utilize high-efficiency, energy-saving appliances and actively implement energy management and carbon reduction measures. For each room per night, NT\$10 is donated to the Environmental Quality Education Foundation to support environmental education

Annual donation

NT\$ 20,000



initiatives, encouraging guests to participate in green actions during their stay and fostering awareness for a sustainable future for the next generation. In collaboration with guests, the hotels create low-carbon, eco-friendly lodging experiences, with a total donation of NT\$20,000 to the Environmental Quality Education Foundation.

- Silks Place Taroko: Solitary Bee Hotel Workshop

Continuing its environmental sustainability experience programs, Silks Place Taroko offers guided tours introducing the local solitary bee ecology and invites guests to create their own "solitary bee hotels," actively contributing to biodiversity conservation and deepening environmental education. Through these environmental experience courses and ecological tours, the program enhances public knowledge of nature and ecology, raising environmental awareness and promoting sustainable stewardship.



- Sustainable Tourism

Just Sleep actively promotes green transportation concepts. The NTU and Ximen branches launched the "Explore Taipei" program, offering guests a 24-hour Taipei Metro pass upon check-in to encourage public transit use and reduce carbon footprints. The Jiaoxi Silks Place Qiongfeng integrates local culture and environmental protection, launching a Sustainable Marathon program that provides branded eco-friendly water bottles, promoting plastic reduction and reuse. Overall, the brand advocates GO GREEN travel, encouraging guests to use low-carbon transportation such as trains or buses to Jiaoxi, with the added incentives of booking discounts and eco-friendly water bottles, jointly practicing green travel and environmental stewardship.



Through programs like "Explore Taipei," the Sustainable Marathon, and "GO GREEN Travel," Just Sleep provided over 300 nights of green lodging experiences in 2024, attracting more than 810 participants. These initiatives actively promote low-carbon transportation and sustainable tourism, demonstrating the company's strong commitment to climate action and sustainable urban development.



Charity for Women and Children, Showcasing Culture

- Just Sleep Christmas Charity: Spreading Love Across Borders

Upholding the principle of "taking from society, giving back to society," the Group has consecutively held international Christmas charity events for eight years, inviting underprivileged children from rural areas abroad to participate. The events have reached locations including Hong Kong, Thailand, and the Philippines, effectively enhancing brand international recognition. Additionally, the Group collaborates with the Taiwan Care Home Association to make year-end donations supporting disadvantaged communities.

The activities have cumulatively engaged 240 children, demonstrating the company's ongoing commitment to the education of underprivileged children and social participation, fulfilling its sustainable development commitments.



Number of children participants

240 people



Innovative Ingredients, Local Sustainability

- Silks Place Tainan: "Mountain, Land, Sea" Sustainable Island Dining

The "Mountain, Land, Sea – Sustainable Island Dining" event was created collaboratively by Chef Peng Tian-en from AKAME, Pingtung, and Chef Yang Bo-wei from Sinasera 24, Taitung, using the dining table as a medium to promote sustainability through cuisine. Through cross-disciplinary learning and exploration of local ingredients and cultures from mountains, land, and sea, the event encouraged participants to reflect on the connection between daily life and the environment. The event attracted over 100 participants, including local farmers and fishers, food culture researchers, and general consumers.



4. Environmental Sustainability

Silks Hotel Group recognizes the profound impact of climate change and embraces our responsibility to protect the planet. Guided by international sustainability principles and the global movement toward net-zero emissions, we are committed to responsible resource utilization, environmental stewardship, and the fulfillment of our corporate social responsibility.

In today's rapidly evolving global landscape, sustainable development has become essential to long-term business resilience. Through innovative energy management strategies, Silks Hotel Group demonstrates its alignment with the United Nations Sustainable Development Goals (SDGs). By enhancing energy efficiency, we not only reduce energy consumption and greenhouse gas emissions but also optimize operational performance and cost efficiency—contributing to environmental preservation, social well-being, and the mitigation of global warming.

Sustainability Strategy Blueprint

■ Strengthening Climate Resilience and Embedding Sustainable Operations

Silks Hotel Group has established an Environmental Sustainability Committee and implemented a comprehensive energy management system to enhance the efficiency and resilience of our operations. We actively promote equipment upgrades and energy optimization through the adoption of LED lighting, intelligent temperature control systems, low-flow water fixtures, and AI-powered food waste management solutions.

In addition, we continuously promote waste reduction, recycling, and resource reuse, ensuring that low-carbon operations are integrated into every stage of our value chain. These efforts strengthen our capacity to respond to climate-related challenges and reinforce our commitment to sustainable business practices.

■ Smart Management and Low-Carbon Transformation

Silks Hotel Group is committed to a data-driven approach to resource efficiency, focusing on energy and water conservation, circular resource utilization, and operational resilience. By implementing high-performance technologies, intelligent monitoring systems, and smart water management solutions, we actively minimize our environmental footprint.

Our sustainability framework integrates regulatory compliance, employee empowerment, and continuous improvement to establish a systematic, accountable, and future-ready management model that supports the Group's long-term transition to a low-carbon economy.

■ Enhancing Waste Management Resilience and Resource Circularity

In alignment with SDG 12: Responsible Consumption and Production and SDG 13: Climate Action, Silks Hotel Group is dedicated to advancing waste reduction, recycling, and resource circularity. Our Waste Management Plan follows the PDCA (Plan–Do–Check–Act) continuous improvement model, encompassing initiatives such as food waste segregation, packaging material recycling, source reduction, and employee engagement programs.

By strengthening waste management systems and continuously refining our operational processes, we strive to minimize landfill waste, promote sustainable consumption patterns, and foster a culture of environmental responsibility across all our properties and teams.

4.1 Climate Change Response

Performance Results - In 2024, the replacement of 400 tons of ice water chillers improved single-unit energy efficiency by 38.2%. - Through the AI food waste management system, the average food waste per person at the buffet restaurant Belle Table decreased by 47.3%, equivalent to a reduction of 55.4 tons of carbon emissions. - The "EcoMeet Sustainable Meetings" project attracted participation from 141 companies, accounting for 21.5% of the total annual meetings, with a total of 24,871 attendees. Single-unit energy efficiency improvement 38.2 % Average food waste per person in the buffet restaurant decreased 47.3 % "EcoMeet Sustainable Meetings" of total annual meetings 21.5 %			Future Goals Short-term Goals Medium to Long-term Goals - Purchase energy-efficient labeled equipment. - Fully switch to large-capacity refillable bottles and reduce paper usage by 3–5% annually.		Future Goals Short-term Goals Medium to Long-term Goals - Gradually increase low-carbon and carbon-footprint products by 2% annually. - Achieve 2–5% use of renewable energy by 2030. - Reduce the proportion of imported raw materials by 5% within three years. - Develop a carbon neutrality roadmap and renewable energy utilization plan in response to climate policies.
Impact			In response to climate change, the Group has identified five key risks: stricter environmental and regulatory policies (e.g., carbon taxes and carbon pricing), rising costs of low-carbon energy, raw material shortages and price increases, sustainable supply chain management, and changing consumer preferences requiring product and service transformation. Operationally, compliance costs and customers' green choices may lead to cost pass-through and potential reductions in market competitiveness.		

Policy Commitment

The Group responds to government greenhouse gas reduction policies and international net-zero trends by establishing a Climate Action Policy and endorsing the 1.5°C Climate Action Declaration. Upholding the principles of responsible resource use and accountability, the Group implements low-carbon transition measures and environmentally friendly initiatives, demonstrating its proactive commitment to addressing climate change.

Actions Taken

The Group has established an Environmental Sustainability Task Force and an energy management system to drive equipment upgrades and improve energy efficiency. Technologies such as LED lighting, smart temperature controls, low-flow faucets, and AI food waste systems are implemented to enhance energy and water resource management. At the same time, waste sorting and recycling initiatives are promoted to achieve low-carbon operations.

- **Improving energy efficiency**

Established an Environmental Sustainability Task Force and an energy management system to drive equipment upgrades and improve energy efficiency.

- **Water resource management**

Implemented technologies such as LED lighting, smart temperature controls, low-flow faucets, and AI food waste systems to enhance energy conservation and water resource management.

- **Waste management**

Promoted waste sorting and recycling initiatives to achieve low-carbon operations.

Evaluation Mechanisms

- **Reduction effectiveness evaluation**

The Energy Management Team monitors data daily and reviews results monthly. The ESG Team tracks implementation during quarterly meetings and regularly reports progress to the Board of Directors.

- **Supply chain evaluation**

Suppliers' sustainability performance is periodically reviewed to ensure strategies are effectively implemented and risk management measures are adjusted promptly.

- **ESG team meetings**

Quarterly discussions are held to ensure all measures are effectively executed and achieve the intended outcomes, with regular reporting to the Board of Directors.

Stakeholder Engage

The Group discloses its climate action achievements through reports and actively communicates with customers, employees, communities, and government agencies. It promotes customer participation in environmental initiatives, employee training, and community environmental activities, implementing SDGs Goals 7, 12, and 13, while fostering consensus and action among stakeholders.

4.1.1 Climate Change Risk Management

■ Governance

The Group's Environmental Sustainability Task Force under the Sustainability Development Committee is responsible for identifying climate change-related issues. The Task Force has adopted the TCFD framework for climate-related financial disclosures as a key basis for internally assessing climate risks and financial impacts. Issues and strategies proposed by the Task Force are evaluated and approved by management and reported annually to the Board of Directors to ensure transparency and effective climate governance.

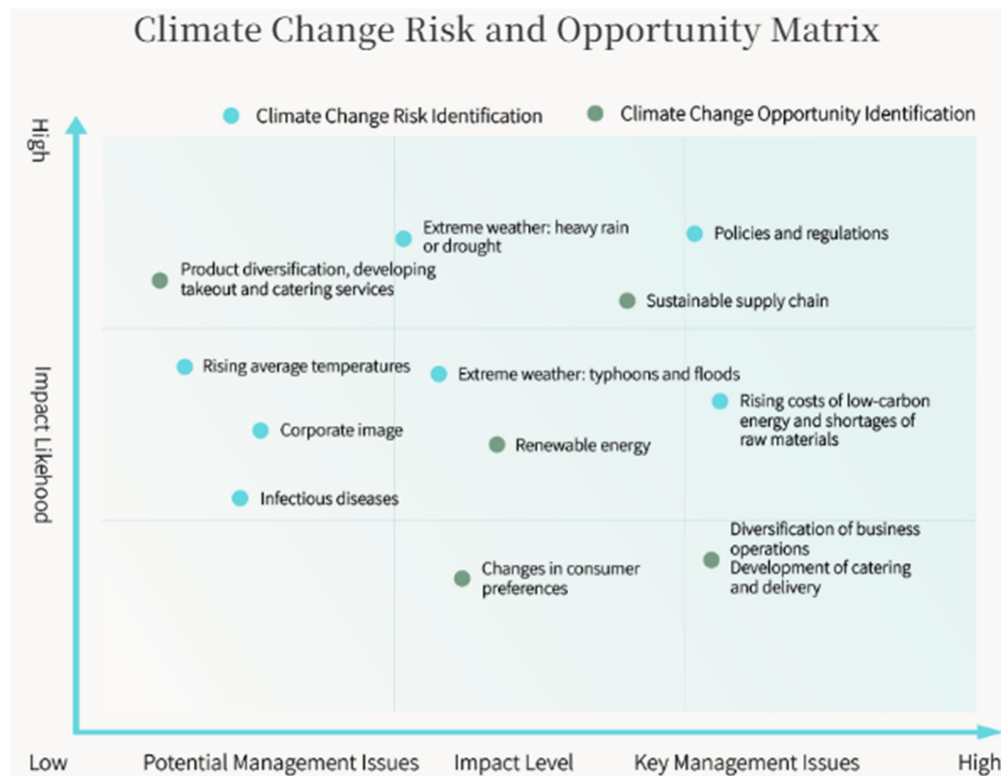
■ Strategy :

The Group identifies and assesses risks related to the transition to a low-carbon economy and physical climate risks, clearly defining five key risk management and opportunity areas.

■ Risk Management

Based on identified risks, the Group assesses significant climate change events and impacts, implementing risk monitoring mechanisms.

- Risk Identification and Matrix Analysis: Utilizing a climate risk matrix to quantify likelihood and impact, prioritizing risk management items.
- Institutionalized Risk Control Mechanisms: The greenhouse gas inventory team clearly divides responsibilities for emission identification, data verification, system establishment, and financial data integration.
- Operational Disruption Risk Management: Establishment of a disaster response team, water resource control procedures, installation of water-saving devices, and enhancement of recycling and reuse efforts.



■ Climate Change Risk Identification

Transition Risks:
Includes stricter environmental policies and regulations (such as carbon tax and carbon pricing), increased low-carbon energy costs, raw material shortages and price increases, sustainable supply chain standards, and changing consumer preferences leading to product and service transformation.

Physical Risks:
Includes extreme weather events (typhoons, floods, heatwaves) causing facility damage, water shortages, raw material scarcity, and operational interruptions.

■ Climate Change Opportunity Identification

- Develop low-carbon innovative products and strengthen supply chain resilience.
- Update renewable energy usage and energy-efficient equipment to reduce energy costs.
- Diversify products and expand operation modes such as catering and delivery.
- Enhance corporate sustainable brand image and customer loyalty.

Strategy

The Group identifies and assesses risks related to the low-carbon economy transition and physical climate impacts, clearly outlining five key risk management issues.

Transition RisksPhysical RisksOpportunities				
Identified Risks and Opportunities	Risk Description	Potential Impact on Operations and Finances	Impact Level / Timeframe	Response Strategies and Goals
		• Failure to achieve the 1% annual electricity		• Implement multiple energy-saving and carbon reduction measures, including

Policies and Regulations	Under the Energy Management Act, an annual electricity savings target of 1% must be achieved. The scope of carbon fees and carbon taxes may expand.	savings may result in the competent authority not approving the submitted implementation plan. Compliance costs may increase due to equipment upgrades, participation in carbon markets, or carbon tax payments, impacting the cost structure and operational profitability.	High / Long-term	adopting low-energy and high-efficiency equipment and improving resource utilization, to strengthen climate risk management and operational resilience. Three chiller units of 900, 600, and 400 tons have been successively replaced, with the 600-ton chiller scheduled for replacement in 2025.
Technical Risks Increased Costs of Low-carbon Technology Transition	With the rapid development of energy-saving and carbon-reduction technologies, failure to adopt them in a timely manner may result in a loss of competitiveness.	Switching products and services to low-carbon alternatives may increase costs.	Medium / Medium-term	Adopt low-carbon amenities and services, introducing products with lower carbon footprints (e.g., bio-based cleaning agents, recycled materials) and suppliers, to build a green supply chain.
				- Procure sustainable hospitality products and launch green lodging programs to meet the needs of environmentally conscious customers. - Strengthen the brand's sustainability image by showcasing sustainability initiatives

Market Risks • Changes in customer behavior • Rising material costs	With increasing consumer awareness of environmental sustainability, demand for products and services is shifting.	Revenue and occupancy rates may decline, market share may shrink, and brand image could be affected.	Medium / Long-term	on the official website, enhancing customer recognition and loyalty. • Adapt sustainable strategies and service models to rising costs and regulations by offering optional low-carbon value-added services, improving revenue stability. • Reduce reliance on imported materials and establish long-term partnerships with local suppliers.
Reputational Risks Corporate image	Damage to reputation reduces consumer trust.	Increases labor recruitment costs, decreases revenue, and may lead to loss of business partners.	Medium / Long-term	• Comply strictly with regulations and policies, implementing standards and oversight for products and services. • Implement ESG goals to ensure sustainable business operations.

Identified Risks and Opportunities	Risk Description	Potential Impact on Operations and Finances	Impact Level / Timeframe	Response Strategies and Goals
Immediate (Extreme) Risks Typhoons, Floods	- Extreme weather may cause power and water interruptions or restrictions, leading to business disruption; flooding can result in property and equipment damage. - Climate change may also affect the supply chain, causing raw material shortages.	Increased operational costs and reduced business performance; frequent incidents and enhanced coverage conditions may result in higher insurance premiums.	Medium/Long-term	- Implement emergency response procedures to minimize property damage; install generators and uninterruptible power supply systems to prevent business interruptions. - Establish vendor management for water supply, ensure adequate insurance coverage, transfer risks, and compensate for losses.
Long-term Risks Heavy Rain / Drought / Infectious Diseases	Heavy rain may cause equipment damage and revenue loss; drought may disrupt power and water supply, affecting operations.	- Increased raw material procurement costs. - Global infectious disease outbreaks may impact business performance.	High/Long-term	- Strengthen climate resilience of facilities, prioritizing improvements to building drainage systems, rooftop structures, and heat- and drought-resistant infrastructure. - Enhance health and safety management systems; establish rapid response protocols for

				potential future infectious disease outbreaks to ensure the safety of guests and employees while maintaining service quality.
Rising Average Temperatures	• Climate change leads to higher average temperatures, water resource depletion, and sea level rise. • Maintaining comfortable temperatures in operational facilities requires increased energy consumption. • Impacts customer behavior and willingness to engage in outdoor activities.	• Results in higher carbon emissions and energy costs, reducing operational performance. • New equipment purchases increase operational costs and may affect tourist flow patterns.	Medium/Long-term	• Implement high-efficiency air conditioning and insulation systems; fully introduce smart energy monitoring systems by 2025. • Develop take-out and retail product channels.

Identified Risks and Opportunities	Risk Description	Potential Impact on Operations and Finances	Impact Level / Timeframe	Response Strategies and Goals
Resource Use Efficiency	Use higher-efficiency LED lighting, replace old system pumps, and adopt dual-effect energy-saving equipment with heat pump systems.	- Operational cost reduction: Energy-saving equipment and improved water efficiency reduce electricity and water expenses. - Regulatory compliance cost control: As carbon pricing and emission regulations tighten, effective energy and water efficiency can prevent future carbon cost increases and penalties. - Increase in fixed asset value: Modernized,	Medium/Mid-term	- Equipment upgrades: Fully replace outdated high-energy equipment with variable-frequency pumps and dual-effect heat pump systems to enhance energy efficiency. - Smart energy and resource management: Monitor electricity and water usage data to identify high-consumption areas and optimize adjustments in real-time. - Resource recycling and sustainable supply chain standards: Implement waste sorting and resource reuse systems; integrate ESG and sustainability principles into procurement, establishing responsible partnerships with suppliers.

		energy-efficient equipment improves durability and asset valuation. • Brand image and market competitiveness enhancement: Resource efficiency and green initiatives strengthen ESG image, creating brand value.		• Water-saving and carbon reduction strategies: Integrate water-saving facilities (e.g., products with water-saving certifications) and conduct employee education on energy conservation. • Annual performance review: Target LED lighting adoption at 90%, 100% procurement of energy-saving equipment, 1.5% annual reduction in per-room electricity density, and 3–5% reduction in paper use and food waste.
Energy Sources	Digital technology transformation to reduce operational costs	• Operational cost optimization: Utilize digital technology to enhance energy management and operational automation, reducing labor and energy waste. • Market competitiveness enhancement: Introduce renewable energy and low-carbon	Medium/Long-term	• Target 2%–5% use of renewable energy by 2030. • Gradually increase low-

	operational costs.	products to meet customer demand for green accommodations. • Strengthening stakeholder relationships: Green energy and low-carbon procurement strategies attract ESG-conscious investors.	carbon and carbon-footprint products by 2% annually.
	Consumers' preference for sustainable and eco-friendly products.	• Digital marketing is leveraged to expand the customer base, proactively offering ESG-compliant products and services to	• Innovation and Sustainable Tourism Product Development: Promote low-carbon menus, carbon-footprint-labeled products, and green travel experiences to meet customers' sustainable consumption expectations. • Packaging and Plastic Reduction Initiatives: Use reusable or biodegradable packaging to reduce plastic usage. • Digital Transformation and New Channel Development: Conduct

Products and Services Consumer Preference Shifts	friendly products has increased, prompting the company to adjust its product mix and supply chain to meet demand.	mitigate operational risks, while innovation and development of low-carbon products enhance competitiveness. • Purchase costs may increase.	Medium/Long-term	at least three digital marketing campaigns per month (social media, KOL) to precisely reach eco-conscious consumers; expand takeout and delivery channels using plastic-free containers combined with ESG promotion platforms. • Innovation and Service: Promote sustainable lodging options; release 2–3 sustainable travel products per quarter, increase the proportion of unchanged towels over three years by 5%, and publish sustainable product stories monthly to strengthen customer recognition.
				• Alternative Raw Material Development: Prioritize the use of recyclable and locally sourced eco-friendly materials to reduce dependence on imported and high-carbon materials.

Market	• In response to rising raw material costs, develop alternative materials and new products. • Promote accelerated low-carbon economic transformation and develop a diversified supply chain.	Control raw material costs to enhance operational performance.	Medium/Long-term	• Local Sustainable Supply Chain: Establish an ESG-compliant sustainable supply chain, maintain stable partnerships, and increase the proportion of locally sourced ingredients and materials. • Product and Service Diversification: Promote low-carbon dining, plastic-free lodging, and local cultural experiences to expand into new markets, while enhancing online sales, delivery services, and related merchandise development.
Climate Resilience	Develop the capacity to adapt, make decisions, and identify opportunities in response to risks arising from climate change and extreme weather events.	-	Medium/Long-term	Based on material risks, establish emergency response measures to minimize losses and enhance operational performance.

■ Climate Scenario Analysis

The Group conducts scenario simulations according to TCFD recommendations, including various warming scenarios, to evaluate potential impacts on assets, operations, and financial performance, serving as a basis for adaptation strategy formulation.

1.5°C Warming Scenario Assumptions (Occurring within 3-5 years)		Temperature Increase >2.8°C Scenario Assumptions (10 years later)	
Category	Impact Description and Financial Impact	Opportunities	Response Strategies
Transitional Risk – Policies and Regulations (Update)	In response to policies such as carbon fee levies, energy-saving and carbon-reduction mandates, and ESG compliance, low-carbon energy costs are expected to rise. If adjustments are not made in a timely manner, revenue and brand image may be affected. Some costs may be passed on to consumers, potentially weakening competitiveness; energy costs are projected to increase by approximately 10%, with an annual purchase cost increase of around NT\$10 million.	Acquire high-efficiency equipment to improve energy efficiency and implement low-carbon technologies. Implement comprehensive management of water, electricity, wastewater, and waste to reduce resource wastage and strengthen operational resilience.	- Set targets of 1% reduction for water and electricity consumption. - Improve water reuse rates. - Plan carbon reduction targets through the introduction of renewable energy. - Establish supplier carbon inventory and audit mechanisms. - Implement operational backup plans and management systems for energy and water resource reserves.
Physical Risk – Extreme Weather: Heavy Rain and Drought	Abnormal weather events may cause power and water supply interruptions or restrictions, resulting in business disruption and increased disaster insurance costs. Simultaneously, supply chain disruptions could lead to raw material shortages and higher costs, with raw material purchase costs projected to increase by over 5% annually, approximately NT\$50 million.	Utilize digital marketing and customer relationship management to expand sales channels, broaden the customer base, and establish long-term clients to stabilize revenue.	- Ensure adequate insurance coverage, risk transfer, and loss compensation. - Expand digital channels (e-commerce platforms, delivery partnerships) to diversify risks, strengthen customer relationship management, and enhance repurchase rates and brand loyalty.

1.5°C Warming Scenario Assumptions (Occurring within 3-5 years)		Temperature Increase >2.8°C Scenario Assumptions (10 years later)	
Category	Impact Description and Financial Impact	Opportunities	Response Strategies
Physical/Transition Risk – Rising Raw Material Costs	Rising temperatures beyond expectations may disrupt the supply and demand of agricultural products and increase transportation costs, putting pressure on operational expenses.	To address this, we are building a diversified supply chain to maintain stable product quality, while enhancing independent R&D and raw material diversification capabilities.	We focus on developing new products, increasing local sourcing, and fostering stable supply chains through partnerships with small-scale farmers. Research and development prioritize readily available or alternative agricultural inputs, and long-term cooperation agreements are established with agricultural cooperatives or local institutions.
Transition Risk – Changing Consumer Habits	As consumer awareness of sustainability rises, expectations for ESG performance increase, driving higher demand for low-carbon products and services.	In response, we develop a sustainable brand image and service model to strengthen market competitiveness.	Through diversified marketing, we attract consumers, enhance product quality and sustainability value, expand catering, delivery, and takeout services, and reinforce ESG communication and engagement with customers.

Based on the identified climate change risks and opportunities, we have formulated adaptation strategies, including regulatory compliance, resource recycling and reuse, operational efficiency enhancement, energy conservation and carbon reduction, diversification of low-carbon products, and greenhouse gas emission reduction measures. These strategies aim to mitigate operational risks posed by global extreme weather events and progressively incorporate assessments of their financial impacts.

Through these measures, Regent International Hotels Group not only reduces its environmental footprint but also strengthens its resilience to the challenges of climate change, demonstrating its commitment and proactive actions as a responsible enterprise.

■ Climate Action Strategies and Adaptation Measures

Facing climate change risks and opportunities, the Group implements multiple mitigation and adaptation strategies, including energy saving and carbon reduction, resource recycling, operational resilience, and green innovation to strengthen sustainable competitiveness. Key measures include:

- Improve energy efficiency by upgrading to high-efficiency equipment and lighting to reduce energy consumption and maintenance costs.
- Green procurement and supply chain management: prioritize environmentally friendly products and packaging, promote local sourcing, and sustainable supply chain management.
- Low-carbon commuting and paperless initiatives: encourage employees to use public transportation, electronic documents, and digital signatures.
- Waste management and process optimization: introduce AI food waste systems to reduce food waste and resource losses.
- Community and employee engagement: promote the "Green Leaf Card"; establish internal green teams and provide sustainability training to employees.
- Disaster response and operational resilience: establish disaster response teams and water resource risk management processes.
- Sustainable building and water-saving measures: implement green building standards, water-saving technologies, and waste reduction actions.
- Support low-carbon transportation: install 10 electric vehicle charging stations encouraging guests and employees to use electric and shared vehicles.
- Through these concrete actions, the Group effectively reduces environmental impact, enhances climate adaptation, and demonstrates corporate sustainability commitment and responsibility.

■ Medium to Long-term Indicators and Goals:

- Increase low-carbon and carbon footprint products by 2% annually.
- Plan energy-saving programs, including purchasing renewable energy.
- Reduce paper usage by 10–15% within three years starting 2024.
- Develop new products using local raw materials, reducing imported raw materials procurement by 5% within three years.
- Formulate strategies aligned with changing consumer behavior, such as transitioning to off-site catering and delivery.

4.1.2 Greenhouse Gas Inventory

The Group has established a greenhouse gas inventory team and developed standard operating procedures for greenhouse gas emission management to assist each hotel in implementing inventory and carbon reduction measures. Members of the team undergo basic training on greenhouse gas emissions to understand corporate environmental policies and reduction measures, receiving professional training on greenhouse gas inventory and reduction strategies, energy management, energy-saving technology applications, and compliance with policies and regulations.

■ Hotel Energy Consumption Overview

Energy consumption in hotels primarily comes from purchased electricity and natural gas. Electricity accounts for approximately 70–80% of total carbon emissions, mainly driven by air conditioning and refrigeration systems. Natural gas, used predominantly for kitchen operations and cooking, contributes about 20%, while other forms of energy use make up the remaining 3%.

	Regent Taipei	Just Sleep	Silks Place Tainan	Silks Place Taroko
Category	2022	2023	2024	
Scope 1: Direct Emissions (Metric Tons CO ₂ e)	2,665.092	5,845.230	5,285.2657	
Scope 2: Indirect Emissions (Metric Tons CO ₂ e)	9,852.591	9,859.210	9,920.761	
Scope 3 (Metric Tons CO ₂ e)	Not Applicable	281.810 *	247.728	
Total (Metric Tons CO ₂ e)	12,517.583	15,986.250	15,453.7547	
Revenue (Million NTD)	3,027	3,846	4,046	
Emission Intensity (Metric Tons CO ₂ e / Million NTD)	4.1353	4.160	3.8195	

Regent Taipei discloses Scope 3 greenhouse gas emissions starting from 2024

	Regent Taipei	Just Sleep	Silks Place Tainan	Silks Place Taroko
Category	2022	2023	2024	
Scope 1: Direct Emissions (Metric Tons CO ₂ e)	NA	NA	415.762 *	
Scope 2: Indirect Emissions (Metric Tons CO ₂ e)	2,017.837	2,338.759	3,858.840	
Total (Metric Tons CO ₂ e)	2,017,837	2,338.759	4,274.602	
Revenue (Million NTD)	383	451	552	
Emission Intensity (Metric Tons CO ₂ e / Million NTD)	5.269	5.186	7.744	

* Scope 1 statistics have not been conducted yet and are expected to be disclosed starting from 2024.
 * 2024 Increase in emissions at Just Sleep Ximen Branch.

Greenhouse Gas Emissions in Recent Three Years

Regent Taipei Just Sleep Silks Place Tainan Silks Place Taroko

Category	2022	2023	2024
Scope 1: Direct Emissions (Metric Tons CO2e)	816	874	1,069.016
Scope 2: Indirect Emissions (Metric Tons CO2e)	3,792.86	4,660.071	3,886.921
Total (Metric Tons CO2e)	4,608.86	5,534.071	4,955.937
Revenue (Million NTD)	864	904	854
Emission Intensity (Metric Tons CO2e / Million NTD)	5.334	6.122	5.803

Greenhouse Gas Emissions in Recent Three Years

Regent Taipei Just Sleep Silks Place Tainan Silks Place Taroko

Category	2022	2023	2024
Scope 1: Direct Emissions (Metric Tons CO2e)	1,017.75	1,070.22	2,168.860
Scope 2: Indirect Emissions (Metric Tons CO2e)	2,938.03	2,999.079	1,489.374
Total (Metric Tons CO2e)	3,955.78	4,069.30	3,658.234
Revenue (Million NTD)	668	684	171
Emission Intensity (Metric Tons CO2e / Million NTD)	5.9218	5.949	21.393 *

4.2 Energy and Water Resource Management

To actively support the United Nations Sustainable Development Goals (SDGs), particularly SDGs 7 "Affordable and Clean Energy" and SDGs 13 "Climate Action," the Group continuously promotes innovative and efficient energy management strategies. Through systematic energy management, the Group not only effectively reduces energy consumption and carbon emissions, improving overall energy efficiency, but also achieves operational cost optimization and fulfills corporate social responsibility commitments.

4.2.1 Water Resource Management

In 2024, the Group's total water consumption amounted to 885.703 thousand cubic meters, with zero water wastage, based on data from water utility bills and county water meters.

The Energy Management Team is responsible for monitoring and managing water resources, conducting regular inspections across operational sites to review energy-saving and water-saving performance, ensuring efficient and sustainable water use. Considering the risks of flooding and drought caused by extreme weather events, the Group has also established a Disaster Response Team responsible for developing and continuously optimizing various disaster prevention Standard Operating Procedures (SOPs), and regularly conducting disaster drills to strengthen response capabilities and reduce operational risks.



■ Specific management measures

01

Routine Inspections

Regularly check water pipes, faucets, and bathroom facilities; immediately repair any abnormalities or leaks detected in water meters to reduce losses.



02

Water Flow Adjustment

Fully implement water-saving certified bathroom fixtures and install pressure-reducing valves in supply pipelines to precisely control water usage and prevent waste.



03

Recycled Water Reuse

Strengthen the recovery of steam condensate; reuse swimming pool overflow water for chilled water systems, cooling towers, irrigation, and toilet flushing.



04

Operational Process Adjustments

Modify kitchen soaking and washing procedures to avoid prolonged continuous water discharge.



05

Equipment Optimization

Activate drinking fountains with a sleep mode according to operational hours; dynamically adjust water pressure during peak and off-peak periods to minimize ineffective water use.



06

Wastewater Treatment

All wastewater is treated and discharged in compliance with local government regulations.



07

Staff Training and Awareness

Continuously enhance employee water-saving awareness and encourage guests to participate in water conservation efforts.



In addition, the Group's hotels across all brands have long implemented the "Green Leaf Program," encouraging guests on consecutive stays to opt out of daily towel and linen changes. This initiative not only significantly reduces water and detergent consumption—saving nearly 40% in water, energy, and cleaning costs—but also effectively lowers the carbon footprint.

Water resource consumption

Hotel	Unit	Year 2022	Year 2023	Year 2024
Regent Taipei	1,000 m ³	408.154	469.525	479.205
Just Sleep/Wellspring	1,000 m ³	110.610	117.283	179.080
Silks Place Tainan	1,000 m ³	140.490	141.309	141.551
Silks Place Taroko	1,000 m ³	208.640	199.331	85.867

4.2.2 Energy Management Policy

To comply with the relevant provisions of the "Energy Management Act," Regent Taipei has been registered as a regulated user under the Ministry of Economic Affairs' Bureau of Energy. The hotel is required to achieve an annual average electricity savings rate exceeding 1%. It also regularly reports energy-saving measures, energy savings, and implementation results through the "Energy Audit Network Reporting System" as mandated.

■ Energy Use Structure and Key Management Areas

The hotel's main energy sources are purchased electricity and natural gas, with electricity consumption being the primary focus. Air conditioning and lighting are the key energy-consuming areas. The energy consumption distribution across hotel facilities is as follows:

Hotel	Proportion of Energy Consumption for Air Conditioning and Lighting
Regent Taipei	76%
Silks Place Tainan	61.5%
Silks Place Taroko	76.11%

In response to this energy consumption structure, the Group has clearly established improving equipment efficiency and replacing high-energy-consuming devices as its primary strategy for energy saving and carbon reduction.

■ Smart Management Measures and Energy Saving & Carbon Reduction Achievements

The Group continuously complies with domestic and international environmental regulations, implementing energy-saving and carbon reduction policies. By improving energy efficiency, introducing high-efficiency equipment, and adopting intelligent management systems, the Group reduces carbon emissions and energy consumption during operations, achieving sustainable goals that balance environmental protection and operational performance.

To effectively improve the energy consumption of the air conditioning system, in 2024 Regent Taipei completed the installation of a high-efficiency water-cooled variable-frequency magnetic levitation centrifugal chiller (400RT), which officially started operation in October. Regent Taipei plans to replace another 600RT chiller unit in 2025. Preliminary assessments indicate that the new unit can save over 10% in energy costs compared to existing equipment. This energy-saving improvement project is expected to be completed by the end of 2025 and will contribute to advancing low-carbon operational targets.

The chiller replacement plan is complemented by an intelligent monitoring management system that can monitor and adjust the number of operating chillers and outlet water temperature in real time. This ensures the units operate in an optimized state, enhancing energy efficiency as well as overall system stability and reliability. Through these energy-saving measures, the Group expects to effectively reduce carbon emissions, extend equipment lifespan, and simultaneously achieve dual benefits of operational cost control and minimized environmental impact.

■ Natural Gas Management Measures

Natural gas is primarily used in kitchen cooking operations. The Group improves management both through institutional policies and employee behavior:

- Employees are required to turn off gas equipment immediately after use to prevent wasteful combustion.
- Priority is given to purchasing energy-efficient, certified gas stoves, ovens, and water heaters to enhance energy efficiency.
- Regular safety inspections and maintenance of gas equipment are conducted to prevent energy waste and potential risks caused by aging or malfunctions.

■ Energy Consumption Trends

As operations gradually stabilized in 2024, the Group saw significant improvements in overall occupancy rates and business activities, driving an increase in energy demand across hotels.

For example, Regent Taipei has continuously worked on improving equipment efficiency and energy-saving renovations over the years, with proven results. In 2024, per capita energy consumption decreased by 3% compared to 2023, and per capita carbon emissions also decreased by 7.3%. These achievements demonstrate the Group’ s proactive efforts in enhancing energy efficiency and effectively mitigating the environmental impacts of business growth.

■ Energy consumption

Regent Taipei				
Item	Unit	Year 2022	Year 2023	Year 2024
Energy Consumption	KWh	19,532,200	19,917,600	20,063,200
Natural Gas	m ³	1,404,076	1,847,693	1,707,981

Note: Natural gas consumption includes usage from the kitchen and boilers.

Just Sleep/Wellspring				
Item	Unit	Year 2022	Year 2023	Year 2024
Energy Consumption	KWh	4,037,240	4,394,738	Note1 7,806,230
Natural Gas	m ³	48,515	72,523	Note2 159,515

Note 1:Include the energy consumption data of Just Sleep Ximending & Beitou Wellspring, which began operations in September 2024

Note 2:natural gas consumption data.Just Sleep Jiaoxi and Wellspring by Silks Jiaoxi do not use natural gas.

Silks Place Taroko

Item	Unit	Year 2022	Year 2023	Year 2024
Energy Consumption	KWh	5,935,400	5,798,600	3,011,400
Liquefied Petroleum Gas	KG Note	53,054	51,294	Note 24,517

Note :The unit & consumption data in the 2023 statement was misprinted

Silks Place Tainan

Item	Unit	Year 2022	Year 2023	Year 2024
Energy Consumption	KWh	7,451,600	7,511,000	7,860,600
Natural Gas	m ³	434,205	470,781	407,375

4.2.3 Environmental Regulatory Compliance

The Group, with tourism hotels providing accommodation and dining services as its core business, strictly complies with relevant domestic environmental regulations and continuously strengthens its sustainability management system, covering various aspects such as air quality, water resource management, waste treatment, energy efficiency improvement, and climate change response. Through the implementation of pollution prevention and effective resource utilization, we are committed to ensuring that business operations comply with regulatory requirements while minimizing environmental impact.

■ Regulatory Compliance and Sustainability Management

The Group, in accordance with the “Air Pollution Control Act,” “Waste Disposal Act,” “Water Pollution Control Act,” “Climate Change Response Act,” and “Energy Management Act,” has established a self-monitoring mechanism to implement pollution prevention, effective resource utilization,

carbon inventory, and energy-saving measures, ensuring that all business activities comply with regulatory standards and reduce potential environmental impacts.

■ Environmental Pollution Prevention Measures

- Air Pollution Control: Fume emissions generated from restaurant operations are discharged after dual filtration through electrostatic precipitators and fume washing equipment.
- Water Pollution Management: Oily wastewater from kitchens is pre-filtered through grease traps, effectively preventing grease and residues from entering the sewage system or sanitary sewer. The grease in grease traps and septic tanks is removed and deodorized with chemicals by qualified contractors on a regular basis, 1–2 times per month.
- Waste Classification and Management: Business waste and general waste are strictly separated, and classification, temporary storage, and outsourced legal disposal procedures are carried out in accordance with regulations.
- Chemical Management: The use of substances involving engineering materials, cleaning agents, and detergents is managed in compliance with the “Toxic and Concerned Chemical Substances Control Act,” with standard operating procedures (SOPs) in place to control chemical flow and storage safety.
- Carbon Inventory and Energy Management: In response to the “Climate Change Response Act,” the Group is gradually establishing a carbon inventory system, formulating energy-saving strategies and carbon reduction pathways, and aligning with future carbon fee policy trends.

■ Inspections and Employee Education & Training

To enhance employees’ environmental awareness and ensure the implementation of operational standards, the Group regularly organizes training on waste classification and pollution prevention. All business locations cooperate with irregular inspections conducted by government environmental authorities. In 2024, a total of 18 inspections were carried out, with no major violations recorded and no penalties imposed by authorities for breaches of environmental regulations.

4.3 Waste Management

As the world faces increasingly severe environmental challenges and resource pressures, implementing effective waste management strategies is not only a corporate responsibility but also a key action for achieving sustainable development. The Group actively responds to the United Nations Sustainable Development Goals (SDGs), focusing particularly on SDGs 12: Responsible Consumption and Production and SDGs 13: Climate Action. Through rigorous waste classification, resource recycling, and innovative food waste management technologies, we strive to reduce environmental burdens and enhance resource efficiency.

During operations, the Group generates various types of waste, including general waste, food waste, recyclable materials, and waste cooking oil. Waste management follows relevant environmental laws and regulations such as the Waste Disposal Act and the Management Regulations for Licensed Waste Collection and Disposal Organizations. In addition, waste handling is carried out in accordance with our internally developed Waste Management Plan, ensuring daily management and continuous improvement.

The Food & Beverage departments of each hotel record daily waste weights, with regular analysis and tracking. To strengthen internal awareness, waste reduction and recycling measures are periodically promoted across departments, and the results of waste reduction are included in operational meeting records for evaluation and strategy optimization.

■ Waste Reduction Plan

The Waste Management Plan serves as a guiding framework for the Group's waste control initiatives, applying the four core principles of Plan-Do-Check-Improve to assess performance:

Plan

Identify opportunities to improve one or more processes

Act

Continuously improve and evaluate



Do

Implement the identified improvements

Check

Evaluate the results to determine the effectiveness of the measures

■ Procurement Policy and Source Reduction Measures

01	Prioritize purchasing products with minimal or no packaging	02	Procure fresh goods and food stored in reusable containers (e.g., non-plastic crates)
03	Select concentrated cleaning agents and products made with recycled materials	04	Encourage suppliers to use reusable or recyclable packaging materials
05	Collaborate with suppliers and waste collection contractors to set waste reduction targets and improve recycling rates	06	Ensure perishable items are promptly stocked and properly stored to prevent spoilage and disposal losses
07	All empty cardboard boxes are recycled or reused for internal operations		

■ Employee and Guest Engagement

To maximize waste reduction effectiveness, the Group enhances both employee training and guest participation:

- Conducting regular waste management and SOP training to strengthen practical skills and environmental awareness among employees.
- Restaurant service staff proactively remind guests to order appropriate portions to avoid food waste.
- Broadcasting waste reduction messages via internal communication platforms and in-room multimedia systems to encourage sustainable practices and lead by example.

■ Waste Handling Procedures

Following the Group's Waste Disposal Standard Operating Procedures, each hotel's food preparation areas are equipped with lidded waste bins. Designated personnel transport waste to specified temporary storage areas daily. Packaging waste such as cardboard boxes and bags are sorted and transferred to waste storage zones for regular collection by licensed contractors.

To prevent odor and hygiene issues in waste storage areas, ozone machines are installed for odor breakdown, and cleaning is carried out at least once daily, with all activities recorded in cleaning logs.

Waste is classified into general waste, recyclable materials, food waste, and waste oil:

Used batteries are collected by the Engineering Departments and sent to certified recycling operators; at Silks Place Taroko, batteries are taken by designated staff to convenience store collection points.

Food waste from kitchens is stored in cold storage waste rooms before being collected daily or weekly by licensed waste contractors approved by local EPAs.

Pest control schedules are set according to the scale and operational characteristics of each location, with services provided by certified pest management companies.

At Silks Place Taroko, recyclable resources are collected by local social welfare organization Tzu Chi Hualien, fostering local collaboration and resource circulation.

Waste Category Statistics Table for the Past Three Years					Waste Category Statistics Table for the Past Three Years				
	Regent Taipei	Just Sleep	Silks Place Tainan	Silks Place Taroko		Regent Taipei	Just Sleep	Silks Place Tainan	Silks Place Taroko
Item	General Waste	Food Waste	Recyclables (Paper/Bottles & Cans)	Waste - Cooking Oil	Item	General Waste	Food Waste	Recyclables (Paper/Bottles & Cans)	Waste - Cooking Oil
Collection Frequency	Daily*	Daily	Daily	Weekly	Collection Frequency	Daily*	Daily	Daily	Weekly
2024 Annual Output/Tons	1,446.06	441.10	156.08/11.17	11.49	2024 Annual Output/Tons	259.699	32.653	4.16/4.40	1.539
2023 Annual Output/Tons	1,487.72	414.80	158.91/10.73	8.550	2023 Annual Output/Tons	213.61	35.71	4.41/6.66	1.314
2022 Annual Output/Tons	1,520.77	380.88	113.57/10.68	8.536	2022 Annual Output/Tons	176.81	20.07	4.32/5.83	1.374
Disposal Method	Incineration	Reuse as feed	Recycling	Repurposing into biodiesel	Disposal Method	Incineration	Reuse as feed	Recycling	Repurposing into biodiesel

Note: The weight of general waste at Regent Taipei decreased by approximately 3%.

Note: The general waste weight of Just Sleep/Wellspring by Silks increased slightly increased slightly by 2.15%, mainly due to the addition new of the Wellspring by Silks Beitou location in September 2024.

Waste Category Statistics Table for the Past Three Years

	Regent Taipei	Just Sleep	Silks Place Tainan	Silks Place Taroko
Item	General Waste	Food Waste	Recyclables (Paper/Bottles & Cans)	Waste - Cooking Oil
Collection Frequency	Daily*	Weekly (3 times)	Daily	Weekly (2 times)
2024 Annual Output/Tons	168.05	39.761	10.380	2.12
2023 Annual Output/Tons	168.19	39.804	11.167	2.08
2022 Annual Output/Tons	156.42	37.017	10.385	1.96
Disposal Method	Incineration	Reuse as feed	Recycling	Repurposing into biodiesel

Note: Since the implementation of the plastic reduction policy in October 2023, the recorded volume of recycled plastics was 11.167 metric tons in 2023 and 10.380 metric tons in 2024, representing a reduction of 0.787 metric tons after the policy took effect.

Waste Category Statistics Table for the Past Three Years

	Regent Taipei	Just Sleep	Silks Place Tainan	Silks Place Taroko
Item	General Waste	Food Waste	Recyclables (Paper/Bottles & Cans)	Waste - Cooking Oil
Collection Frequency	Daily*	Daily*	Weekly	Weekly (2 times)
2024 Annual Output/Tons	41.97	71.10	Donated to Tzu Chi, not measured by Tzu Chi	0.558
2023 Annual Output/Tons	42.11	252	Donated to Tzu Chi, not measured by Tzu Chi	1.548
2022 Annual Output/Tons	39.99	304.2	Donated to Tzu Chi, not measured by Tzu Chi	1.404
Disposal Method	Incineration	Reuse as feed	Donated to Tzu Chi	Repurposing into biodiesel

Note: Due to closure caused by the 403 earthquake, the amount of waste generated decreased.

Waste Management Performance

The Brasserie introduced the UK-based Winnow AI food waste system, which has successfully reduced food waste by over 70% in more than 30 countries. By 2024, this system has reduced per capita food waste at the Brasserie by 47.3%, equivalent to 55.4 metric tons of CO₂ emissions avoided. The system includes scales, screens, scanners, and data recording devices, enabling real-time measurement of food waste and displaying cost implications—enhancing staff awareness of waste reduction. Daily reports support restaurant managers in optimizing menu planning and portion sizes.



5. Appendix

5.1 Global Reporting Initiative (GRI) Content Index

Statement of Used	Silks Hotel Group has reported the contents for the year 2024 (from January 1 to December 31, 2024) in accordance with the GRI Standards.
GRI Standard	GRI 1: Foundation 2021
Applicable GRI Industry Standards	No applicable GRI industry standards during the reporting period of this report.

GRI 2: General Disclosures 2021				
GRI Indicator	GRI Standard Number	Disclosure	Corresponding Chapter	Page No/Remarks
Organization and Reporting Practice	2-1	Organization Details	Company Overview	10
	2-2	Entities Included in the Sustainability Report	Report Overview	3
	2-3	Reporting Period, Frequency, and Contact Person	Report Overview	3
	2-4	Restatement of Information		No Restated Information
	2-5	External Assurance	Company Overview 5.6 Independent Third-Party Assurance Statement	10 200
Activities and Workers	2-6	Activities, Value Chain, and Other Business Relationships	Company Overview	10

	2-7	Employees	3.2 Employee Care and Talent Retention	123
	2-8	Non-employee Workers	3.2 Employee Care and Talent Retention	123
Governance	2-9	Governance Structure and Composition	2.1.1 Governance Structure	51
	2-10	Nomination and Selection of the Highest Governance Body	2.1.1 Governance Structure	51
	2-11	Chair of the Highest Governance Body	2.1.1 Governance Structure	51
	2-12	Role of the highest governance body in overseeing the management of impacts	2.1.1 Governance Structure	51
	2-13	Delegation of Responsibility for Manager Impacts	2.1.1 Governance Structure	51
	2-14	Role of the Highest Governance Body in Sustainability Reporting	2.1.1 Governance Structure	51
	2-15	Conflicts of Interest	2.1.3 Integrity Management and Regulatory Compliance	61
	2-16	Communication of Critical Concerns	2.2 Risk Management	64
	2-17	Collective knowledge of the Highest Governance Body	2.1.1 Governance Structure	51
	2-18	Evaluation of the performance of the highest governance body	2.1.1 Governance Structure	
	2-19	Remuneration Policy	2.1.1 Governance Structure	51
	2-20	Process to determine remuneration	2.1.1 Governance Structure	51
	2-21	Annual total compensation ratio	2.1.1 Governance Structure	51
Strategy, Policies, and Practices	2-22	Statement on sustainable development strategy	1.1 Regent Sustainability: Vision, Strategy, and Practice	29
	2-23	Policy commitment	1.1 Regent Sustainability: Vision, Strategy, and Practice	29
			2.2 Risk Management	64

	2-24	Embedding policy commitments	1.2 Sustainability Management and Framework 2.1.3 Integrity Management and Regulatory Compliance 2.2 Risk Management	36 61 64
	2-25	Processes to Remediate Negative Impacts	2.1.3 Integrity Management and Regulatory Compliance	61
	2-26	Mechanisms for Seeking Advice and Raising Concerns	2.1.3 Integrity Management and Regulatory Compliance	61
	2-27	Compliance with Laws and Regulations	1.2 Sustainability Management and Framework 2.1.3 Integrity Management and Regulatory Compliance	36 61
	2-28	Membership Associations	2.1.4 External Engagement Organizations	63
	2-29	Approach to Stakeholder Engagement	1.2 Stakeholder Engagement and Materiality Analysis	36
Stakeholder Engagement	2-30	Collective Bargaining Agreements		The organization has not signed a collective bargaining agreement.
GRI 3: Material Topics 2021				
GRI Indicator	Standard Number	Disclosure Item	Corresponding Chapter in Report	Page No / Remarks
Material Topic Disclosure	3-1	Process to Determining Material Topics	1.3 Stakeholder Engagement and Materiality Analysis	39
	3-2	List of Material Topics	1.3 Stakeholder Engagement and Materiality Analysis	39
Economic Governance Aspect				
Material Topic	GRI Indicator	Disclosure Item	Corresponding Chapter	Page No / Remarks

Innovation and Customer Service	GRI 3-3	Management of Material Topics	2.3 Innovation and Customer Service	74
Food Safety and Health	GRI 3-3	Management of Material Topics	2.4 Food Safety and Health	84
	GRI 416 Customer Health and Safety 2016	416-2 Incidents of Non-compliance Concerning the Health and Safety Impacts of Products and Services	2.4 Food Safety and Health	No violations of relevant regulations were reported during the reporting year.
	GRI 417 Marketing and Labeling 2016	417-1 Requirements for Product and Service Information and Labeling	2.4 Food Safety and Health	No violations of relevant regulations were reported during the reporting year.
		417-2 Incidents of Non-compliance Concerning Product and Service Information and Labeling Regulations	2.4 Food Safety and Health	
		417-3 Incidents of Non-compliance Concerning Marketing Communications Regulations	2.4 Food Safety and Health	No violations of relevant regulations were reported during the reporting year.
Supply Chain Management	GRI 3-3	Management of Material Topics	2.5 Supply Chain Management	96
	GRI 204 Procurement Practices 2016	204-1 Proportion of Spending on Local Suppliers	2.5 Supply Chain Management	96
	GRI 308 Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	2.5 Supply Chain Management	96
	GRI 414 Supplier	414-1 New suppliers that were screened using social criteria	2.5 Supply Chain Management	96

	Social Assessment 2016			
	GRI 3-3	Management of Material Topics	2.6 Information Security and Privacy Protection	110
Information Security Risk	2016 GRI 418 Customer Privacy 2016	418-1 Substantiated Complaints Concerning Breaches of Customer Privacy and Losses of Customer Data	2.6 Information Security and Privacy Protection	110
Social Aspects				
Material Topic	GRI Indicator	Disclosure Item	Corresponding Chapter	Page No / Remarks
	GRI 3-3	Management of Material Topics	3.1 Occupational Safety and Health	113
		403-1 Occupational health and safety management system	3.1 Occupational Safety and Health	113
	GRI 403 Occupational Health and Safety 2018	403-2 Hazard identification, risk assessment, and incident investigation	3.1 Occupational Safety and Health	113
		403-3 Occupational health services	3.1 Occupational Safety and Health	113
		403-4 Worker participation, consultation, and communication on occupational health and safety	3.1 Occupational Safety and Health	113
Occupational Safety and Health		403-5 Worker training on occupational health and safety	3.1 Occupational Safety and Health	113
	GRI 403 Occupational Health and Safety 2018	403-6 Promotion of worker health	3.1 Occupational Safety and Health	113
		403-7 Prevention and mitigation of occupational health and safety impacts directly linked to business relationships	3.1 Occupational Safety and Health	113
		403-8 Workers covered by an	3.1 Occupational Safety and Health	113

		occupational health and safety management system		
		403-9 Work-related injuries	3.1 Occupational Safety and Health	113
		403-10 Work-related ill health	3.1 Occupational Safety and Health	113
Employee Care and Talent Retention	GRI 3-3	Management of Material Topics	3.2 Employee Care and Talent Retention	123
		201-1 Direct economic value generated and distributed by the organization	3.2 Employee Care and Talent Retention	123
	GRI 401 Employment 2016	401-1 New employee hires and employee turnover 401-2 Benefits provided to full-time employees that are not provided to temporary or Part-time employees 401-3 Parental leave	3.2 Employee Care and Talent Retention	123
	GRI 402 Labor/Management Relations 2016	402-1 Minimum notice period regarding operational changes	3.2 Employee Care and Talent Retention	123
	GRI 405 Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees 405-2 Ratio of basic salary and remuneration of women to men	3.2 Employee Care and Talent Retention	123
	GRI 406 Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	3.2 Employee Care and Talent Retention	123
Talent Development	GRI 3-3	Management of Material Topics	3.3 Talent Development and Career Growth	136

and Career Advancement	GRI 404 Training and Education 2016	404-1 Average hours of training per employee per year 404-2 Programs for upgrading employee skills and transitions assistance programs 404-3 Percentage of Employees Receiving Regular Performance and Career Development Reviews	3.3 Talent Development and Career Growth	136
Environmental Aspect				
Material Topic	GRI Indicator	Disclosure Item	Corresponding Chapter	Page No / Remarks
Climate Change Response	GRI 3-3	Management of Material Topics	4.1 Climate Change Response	155
	GRI 302 Energy 2016	302-1 Energy consumption within the organization	4.1 Climate Change Response	155
		302-3 Energy intensity	4.2 Energy and Resource Management	174
	GRI 305 Greenhouse Gas Emissions 2016	305-1 Direct (Scope 1) greenhouse gas (GHG) emissions	4.1 Climate Change Response	155
		305-2 Indirect (Scope 2) GHG emissions from energy use	4.2 Energy and Resource Management	174
Other Disclosures				
	GRI 306 Waste 2020	306-3 Waste Generated 306-4 Waste diverted from disposal 306-5 Waste directed to recovery	4.3 Waste Management	181

5.2 Sustainability Accounting Standards Board (SASB) Content Index

Disclosure in accordance with SASB Hotels & Lodging and Restaurants Industry Standards.

Disclosure Topics	Accounting Metrics Code	Accounting Metric	Description/Corresponding Report Section	Page
Energy Management	SV-HL-130a.1 FB-RN-130a.1	(1) Total energy consumed	(1) 225,817.2504 (GJ)	174
		(2) Percentage grid electricity	(2) 61.76%	
		(3) Percentage renewable	(3) 0%	
4.2 Energy and Resource Management				
Water Resource Management	SV-HL-140a.1 FB-RN-140a.1	(1) Total water withdrawal	(1) 887.970 m³	174
		(2) Total water consumed Percentage of each in regions with high or extremely high baseline water stress	(2) No water sourced from high-pressure areas 4.2 Energy and Resource Management	
Ecological Impact	SV-HL-160a.1	Number of Number of lodging facilities located in or near areas of protected conservation status or endangered species habitat	Silks Place Taroko is located within the protected area of Taroko National Park, surrounded by canyons and natural mountain scenery.	19
	SV-HL-160a.2	Description of environmental management policies and practices to preserve ecosystem services	Sustainable Travel	
Employees	SV-HL-310a.1 FB-RN-310a.1	(1) Voluntary and employees (2) Involuntary turnover rate for lodging facility employees	(1) 99.9% (2) 1%	113
	SV-HL-310a.2 FB-RN-310a.3	Total amount of monetary losses as a result of legal proceedings associated	The Group’ s Silks Place Taroko was fined NT\$100,000 for violating the Gender Equality in Employment Act.	

	SV-HL-310a.3	with labor law violations (1) Average hourly wage (2) percentage of lodging facility employees earning minimum wage, by region	(1)NT\$250 (average hourly wage) (2) 0% (minimum wage is higher than the statutory basic wage)	
	SV-HL-310a.4	Description of policies and programs to prevent employee harassment	3.1 Occupational Safety and Health	113
Climate Change Adaptation	SV-HL-450a.1	Number of hotels located in 100-year flood zones	All hotels under the Group are located on Taiwan' s main island, outside of the 100-year flood hazard zones.	
Activity Metrics	SV-HL000.A	Number of rooms available daily	Total rooms available for sale per day: 1,530 Regent Taipei 77.65% Silks Hotel Tainan80.05% Wellspring by Silks Jiaoxi 70.67%	
	SV-HL000.B	Average occupancy rate	Wellspring by Silks Beitou 62.97% Just Sleep NTU 70.62% Just Sleep Ximen 87.70% Just Sleep Jiaoxi 76.20%	
	SVH-L000.C	Total hotel area	Total hotel area: 214,358.34 m²	
	SV-HL000.D	Number of hotels and their proportion (1) Management(2) Owned and leased(3) Franchise	Including owned or leased, a total of 8 hotels Owned and leased: 100% Company Overview	10
Scale of Restaurant	FB-RN-000.A	Number of restaurants and proportion (1) Owned(2) Franchised	100% self-operated, with a total of 21 restaurants Company Profile	10
	FB-RN-000.B	Number of restaurant employees (1) Owned(2) Franchised	All restaurants are self-operated Number of restaurant employees: 776 Company Profile	
Food safety	FB-RN-250a.1	(1) Percentage of restaurants inspected	(1) 100% (applicable to Regent Taipei)	84

		by a food safety oversight body (2) percentage receiving critical violations	(2) 0%	
Supply chain management and food procurement	FB-RN-430a.1	Percentage of food purchased that meets (1) environmental and social sourcing standards (2) certified to third party environmental or social standards	Regent Taipei (1) 26.32% (2) 13.05% Silks Place Tainan (1) 50.62% (2) 10.72%	96
	FB-RN-430a.2	Percentage of (1) eggs that originated from a cage-free environment and (2) pork that was produced without the use of gestation crates	(1) Regent Taipei: Procurement of cage-free eggs accounts for 16.05% of total egg procurement amount (2) 0%	96
	FB-RN-430a.3	Discussion of strategies for manage environmental and social risks in the supply chain, including animal welfare	2.5 Supply Chain Management	96

5.3 Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies

項目	確信項目說明（附表一之一）	對應章節	
1	為改善食品衛生、安全與品質，而針對其從業人員、作業場所、設施衛生管理及其品保制度等方面進行之評估與改進及所影響之主要產品與服務類別與百分比。	2.4 食品安全與健康	台北晶華酒店共執行了 12 次的食品安全與衛生內部稽核及 40 次的場所清潔維護及衛生檢查，稽核及檢查內容包含供應商評鑑、食品製備、食品儲存、衛生與工作環境及清潔與消毒等項目。台北晶華酒店經上述 12 次食品安全與衛生內部稽核所影響之餐飲收入占台北晶華酒店的餐飲收入淨額為 93.44%，占台北晶華酒店營業收入淨額為 46.98%。台北晶華酒店食品衛生安全內部訓練課程共計 406.75 小時，HACCP 小組成員亦完成 40 小時的外部專業培訓課程。
2	違反有關產品與服務之健康與安全法規及未遵循產品與服務之資訊與標示法規之事件類別與次數、產品下架次數及下架產品總重量。	2.4 食品安全與健康	台北晶華酒店通過台北市衛生局的現場稽查與物品抽驗 50 次。 晶華國際酒店集團於本報導年度並未有一飯店有因違反食品安全衛生管理相關法規被裁處罰鍰之情事。
3	採購符合國際認可之產品責任標準者占整體採購之百分比，並依標準區分。	2.5 供應鏈管理	台北晶華酒店、台南晶英酒店採購獲國際認證或標章的品項有 Taylors 茶包、靈龍烏龍茶茶包、立頓紅茶、Nespresso 咖啡膠囊，卡塔摩納耳掛式咖啡及 Twinings 茶包，前述國際認證或標章包含國際雨林聯盟認證 (Rainforest Alliance Certified)、非基因改造生物計畫認證 (Non-GMO Project Verified) 或道德茶葉合作夥伴標章 (Ethical Tea Partnership) 等 (註)。2024 年度上述獲任一國際認證或標章的茶包、咖啡膠囊採購金額台北晶華酒店為新台幣 3,453 仟元，占當年度茶飲類 (茶包、茶葉、茶磚及茶粉，不包含酒水) 及咖啡飲品類 (咖啡豆、咖啡粉及膠囊) 採購支出 23.99%，台南晶英酒店採購金額為新台幣 1,810 仟元，採購支出占比為 56.69%。
4	經獨立第三方驗證符合國際認證之食品安全管理系統標準之廠房所生產產品之百分比。	2.4 食品安全與健康	HACCP 食品管制系統認證每三年重新審核一次，台北晶華宴會廳已於 2023 年 9 月通過該認證續評，亦於 2024 年 8 月依規定完成年度之查核作業。台北晶華宴會廳餐飲收入占台北晶華酒店的餐飲收入淨額為 23.63%。
5	對供應商進行稽核之家數及百分比、稽核項目及結果。	2.5 供應鏈管理	供應商評鑑分書面審核 (供應商基本資料及食品系統認證效期更新) 及實地查核。實地評核標準分五大面向：文件評核 (25%)、現場評核 (35%)、供貨情況 (20%)、服務品質 (16%) 和永續發展 (4%)。總分達 80 分以上即為「優良供應商」，列為持續合作以穩定優質食材來源；總分 60-79 分列入「一般供應商」；總分 60 (不含) 以下即為不合格，需密切追蹤缺失改善結果，若連續兩次評分結果為不合格或有違反相關法律行為及具重大食安疑慮者，經評鑑小組確認後會立即於供應商名單中剔除，終止與該供應商合作。於本報導年度台北晶華酒店對主要的 72 家協力廠商進行了詳細的書面審查，並對其中 12 家供應商進行了實地稽核。台南晶英酒店則對主要的 102 家協力廠商進行書面審查，並對其中 9 家供應商進行了實地稽核，評鑑結果皆沒有任何供應商的總分低於 60 分。 台北晶華酒店經過實地稽核廠商之進貨金額為新台幣 94,860,255 元，占台北晶華酒店 2024 年食品與飲料 (含生鮮) 交易金額的 10.51%。台南晶英酒店經過實地稽核廠商之進貨金額為新台幣 59,334,339 元，占台南晶英酒店 2024 年食品與飲料 (含生鮮) 交易金額的 33.88%。

項目	確信項目說明（附表一之一）	對應章節	
6	依法規要求或自願進行產品追溯與追蹤管理之情形及相關產品占所有產品之百分比。	2.4 食品安全與健康	為因應日益嚴格之食品安全法規並保障消費者健康，集團積極強化原物料源頭管理與資訊透明機制。所有原材料、半成品與成品之採購流程皆建立可追溯系統，從下單、驗收到每日廚房作業，均落實嚴格控管。所有食材須標明有效期限，並依循「先進先出（FIFO）」原則進行庫存管理；各類調味品亦清楚標註進貨日期，便於即時追蹤供應商與食材批次來源。 集團旗下栢麗廳與泰市場等自助型餐廳，亦配合臺北市政府「飯店 Buffet 專區」食材登錄政策，主動公開主要食材來源。顧客可透過該平台查詢食材產地與供應商等資訊，進一步提升顧客對食品安全的信賴感。 此外，針對客製化包裝的零售商品，我們嚴格遵循「食品安全衛生管理法」對食品標示與廣告管理之規定，確保標示項目清楚、資訊完整，內容涵蓋產品名稱、製造廠商、聯絡方式與地址等可追溯資料，或主動將資訊通報主管機關，落實採購溯源與資訊揭露責任。
7	依法規要求或自願設置食品安全實驗室之情形、測試項目、測試結果、相關支出及其占營業收入淨額之百分比。	2.4 食品安全與健康	台北晶華酒店於 2016 年建立了自主檢驗實驗室，以強化食品安全的自主管理與監控。台北晶華酒店自主檢驗計 80 次，其中有 75 次符合標準，不合格次數五次，包含農藥殘留四次及二氧化硫檢測一次，均採退貨處理。台北晶華酒店實驗室相關費用計新台幣 370,785 元，合計費用占台北晶華酒店餐飲收入淨額為 0.0146%。
8	消耗能源總量、外購電力百分比、再生能源使用率	4.2 能資源管理	飯店營運，能源使用主要為外購電力及天然氣，電力主要耗能項目為空調與照明設備。本報導年度總消耗能源總量為 [225,817.2504(GJ)] 十億焦耳。數據來源為臺電電費單及天然氣公司帳單；外購電力百分比為 61.76%；且無外購再生能源。
9	總取水量及總耗水量	4.2 能資源管理	集團總用水量為 885.703 千立方公尺，耗水量為 0 千立方公尺，數據來源為自來水公司帳單以及縣府水表。
10	售出產品重量、生產設施場所數量	企業概況	合計擁有八間飯店，共 21 間餐廳。

5.4 Climate-related Information

Appendix 2: Climate-Related Information

Climate-Related Risks and Opportunities: Governance and Implementation Overview

Item	Description	Corresponding Section	Page No.
1.Board oversight of climate-related risks and opportunities.	The Sustainability Committee reports to the Board of Directors and has adopted the TCFD framework to guide climate governance.	4.1 Climate Change Response	155
2.Short-medium-and long-term impacts of climate-related risks and opportunities on business, strategy, and financial performance.	Includes assessment of transition and physical risks and opportunities.		
3.Financial impacts arising from extreme weather events and transition risks.	Incorporates temperature-rise scenario simulations and operational disruption risk assessments.		
4.Integration of climate risk assessment and management into the overall risk management framework.	Includes establishment of organizational structures, matrix-based analysis, risk control mechanisms, and alignment with enterprise risk management.		
5.Resilience assessment through scenario analysis.	Scenario simulations are conducted to evaluate organizational resilience under various climate change scenarios.		
6.Transition plans and key indicators/targets for managing climate-related risks.	Scenario analysis and climate risk matrix management are implemented to support transition planning.		
7. Internal carbon pricing.	Not yet planned.		
8.Scope, progress, and use of carbon offsets or Renewable Energy Certificates (RECs) toward climate targets.	Climate-related targets have not yet been established.		
9.Greenhouse gas (GHG) inventory and assurance status. Ongoing evaluation and verification of GHG accounting and assurance processes.	The disclosed GHG emission data are based on internal calculations.		

Appendix 2: Climate-Related Information — <1-1 Recent Two-Year Company Greenhouse Gas Inventory and Assurance Status>

1-1-1 Greenhouse Gas Inventory Information

The greenhouse gas inventory implementation status of the company and certain subsidiaries included in the consolidated financial statements (including the parent company and Silks Place Hotel Taroko) is as follows:

Greenhouse Gas (GHG) Emissions Inventory

Entity	Category	Unit	2023	2024
The Company	Scope 1 – Direct emissions	Metric tons CO ₂ e	6,719.230	6,770.044
	Scope 2 – Indirect emissions	Metric tons CO ₂ e	16,858.040	17,666.522
	Scope 3 – Other indirect emissions	Metric tons CO ₂ e	281.810	247.728
	Subtotal 小計	Metric tons CO ₂ e	23,859.080	24,684.294
Subsidiaries included in the consolidated financial statements	Scope 1 – Direct emissions	Metric tons CO ₂ e	1,302.400	2,215.863
	Scope 2 – Indirect emissions	Metric tons CO ₂ e	2,902.698	1,489.374
	Subtotal	Metric tons CO ₂ e	4,205.098	3,705.237
	Total	Metric tons CO ₂ e	28,064.178	28,389.531

Note: The 2024 data includes emissions from the subsidiary Just Sleep Ximen, which was not included in 2023, and also includes emissions from Wellspring by Silks Beitou, which joined operations in September 2024.

1-1-1 Greenhouse Gas Assurance Information

The company has not yet conducted greenhouse gas inventory assurance for the past two years.

Appendix 2: Climate-Related Information — <1-2 Greenhouse Gas Reduction Targets, Strategies, and Concrete Action Plans>

Item	Supplementary Explanation	Corresponding Section	Page No
Greenhouse gas reduction targets, strategies, and concrete action plans, and progress toward targets	Quantified carbon reduction targets set; energy saving and renewable energy actions implemented	4.1 Climate Change Response	155

5.5 TCFD Climate-Related Financial Disclosures Comparison Table

TCFD Governance Framework and Disclosure Overview

TCFD Element	Disclosure Content	Corresponding Section	Page No.
Governance	The Environmental Sustainability Task Force, under the Sustainability Development Committee, is responsible for overseeing climate-related matters and regularly reports implementation results to the Board of Directors.	4.1 Climate Change Response	155
Strategy	Identify transition and physical risks, conduct scenario analysis, and develop adaptation and carbon reduction strategies.		
Risk Management	Establish a climate risk matrix, disaster response and operational resilience management, and integrate these into the overall risk control mechanism.		
Metrics & Targets	Disclose greenhouse gas (GHG) inventory (Scopes 1–3), carbon reduction targets, energy efficiency improvements, and carbon intensity trends.		

5.6 Independent Third-Party Assurance Statement

[illegible]